FORM 18-K

For Foreign Governments and Political Subdivisions Thereof

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C.

ANNUAL REPORT

of

PROVINCE OF SASKATCHEWAN

CANADA

(Name of Registrant)

Date of end of last fiscal year: March 31, 2000

SECURITIES REGISTERED*

(As of close of fiscal year)

Title of issue	Amounts as to which registration is effective	Names of exchanges on which registered
N/A	N/A	N/A

*The Registrant is filing this annual report on a voluntary basis.

Names and addresses of persons authorized to receive notices and communications from the Securities and Exchange Commission:

MICHAEL PHILLIPS
Canadian Consul General
Canadian Consulate
1251 Avenue of the Americas
New York, N.Y. 10020

or

DWAYNE WRIGHT
Canadian Consulate
1251 Avenue of the Americas
New York, N.Y. 10020

or

DAVID RUBINOFF
Canadian Consulate
1251 Avenue of the Americas
New York, N.Y. 10020

Copies to:

PAUL BOOTHE
Deputy Minister of Finance
Department of Finance
Province of Saskatchewan
2350 Albert Street
Regina, Saskatchewan
Canada S4P 4A6

JOHN W. WHITE
Cravath, Swaine & Moore
Worldwide Plaza
825 Eighth Avenue
New York, N.Y. 10019

The information set forth below is to be furnished:

1. *In respect of each issue of securities of the registrant registered, a brief statement as to:*

   (a) *The general effect of any material modifications, not previously reported, of the rights of the holders of such securities.*

   None.

   (b) *The title and the material provisions of any law, decree or administrative action, not previously reported, by reason of which the security is not being serviced in accordance with the terms thereof.*

   None.

   (c) *The circumstances of any other failure, not previously reported, to pay principal, interest, or any sinking fund or amortization instalment.*

   None.

2. *A statement as of the close of the last fiscal year of the registrant giving the total outstanding of:*

   (a) *Internal funded debt of the registrant. (Total to be stated in the currency of the registrant. If any internal funded debt is payable in a foreign currency, it should not be included under this paragraph (a), but under paragraph (b) of this item.)*

   Reference is made to page 50 of Exhibit d hereto.

   (b) *External funded debt of the registrant. (Totals to be stated in the respective currencies in which payable. No statement need be furnished as to inter-governmental debt.)*

   Reference is made to page 50 of Exhibit d hereto. The only external funded debt of the registrant are Public Issue Debentures.

3. *A statement giving the title, date of issue, date of maturity, interest rate and amount outstanding, together with the currency or currencies in which payable, of each issue of funded debt of the registrant outstanding as of the close of the last fiscal year of the registrant.*

   Reference is made to pages 47-50 of Exhibit d hereto.

4. (a) *As to each issue of securities of the registrant which is registered, there should be furnished a break-down of the total amount outstanding, as shown in Item 3, into the following:*

   (1) *Total amount held by or for the account of the registrant.*

   Not applicable, because no securities of the registrant are registered.

   (2) *Total estimated amount held by nationals of the registrant (or if registrant is other than a national government by the nationals of its national government); this estimate need be furnished only if it is practicable to do so.*

   Not applicable, because no securities of the registrant are registered.

   (3) *Total amount otherwise outstanding.*

   Not applicable, because no securities of the registrant are registered.

   (b) *If a substantial amount is set forth in answer to paragraph (a)(1) above, describe briefly the method employed by the registrant to reacquire such securities.*

   Not applicable.

5. *A statement as of the close of the last fiscal year of the registrant giving the estimated total of:*

   (a) *Internal floating indebtedness of the registrant. (Total to be stated in the currency of the registrant.)*

   Reference is made to page 26 of Exhibit d hereto.

(b) External floating indebtedness of the registrant. (Total to be stated in the respective currencies in which payable.)

Reference is made to page 26 of Exhibit d hereto.

6. *Statements of the receipts, classified by source, and of the expenditures, classified by purpose, of the registrant for each fiscal year of the registrant ended since the close of the latest fiscal year for which such information was previously reported. These statements should be so itemized as to be reasonably informative and should cover both ordinary and extraordinary receipts and expenditures; there should be indicated separately, if practicable, the amount of receipts pledged or otherwise specifically allocated to any issue registered, indicating the issue.*

Reference is made to pages 34 and 35 of Exhibit d hereto.

7. *(a) If any foreign exchange control, not previously reported, has been established by the registrant (or if the registrant is other than a national government, by its national government), briefly describe such foreign exchange control.*

None.

(b) If any foreign exchange control previously reported has been discontinued or materially modified, briefly describe the effect of any such action, not previously reported.

Not applicable.

* *This annual report comprises:*

(1) Pages numbered 1 to 4 consecutively.

(2) The following exhibits:

(a) none;

(b) none;

(c) none;

(d) Province of Saskatchewan Current Description;

(e) Volume 1 of the Public Accounts for the registrant for the year ended March 31, 2000;

(f) Crown Investments Corporation of Saskatchewan Annual Report 1999; and,

(g) consent of the Provincial Auditor.

This annual report is filed subject to the Instructions for Form 18-K for Foreign Governments and Political Subdivisions Thereof.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this annual report to be signed on its behalf by the undersigned, thereunto duly authorized, at Regina, Saskatchewan, on the day of December, 2000.

PROVINCE OF SASKATCHEWAN

By /s/ Rae Haverstock

Name: Rae Haverstock

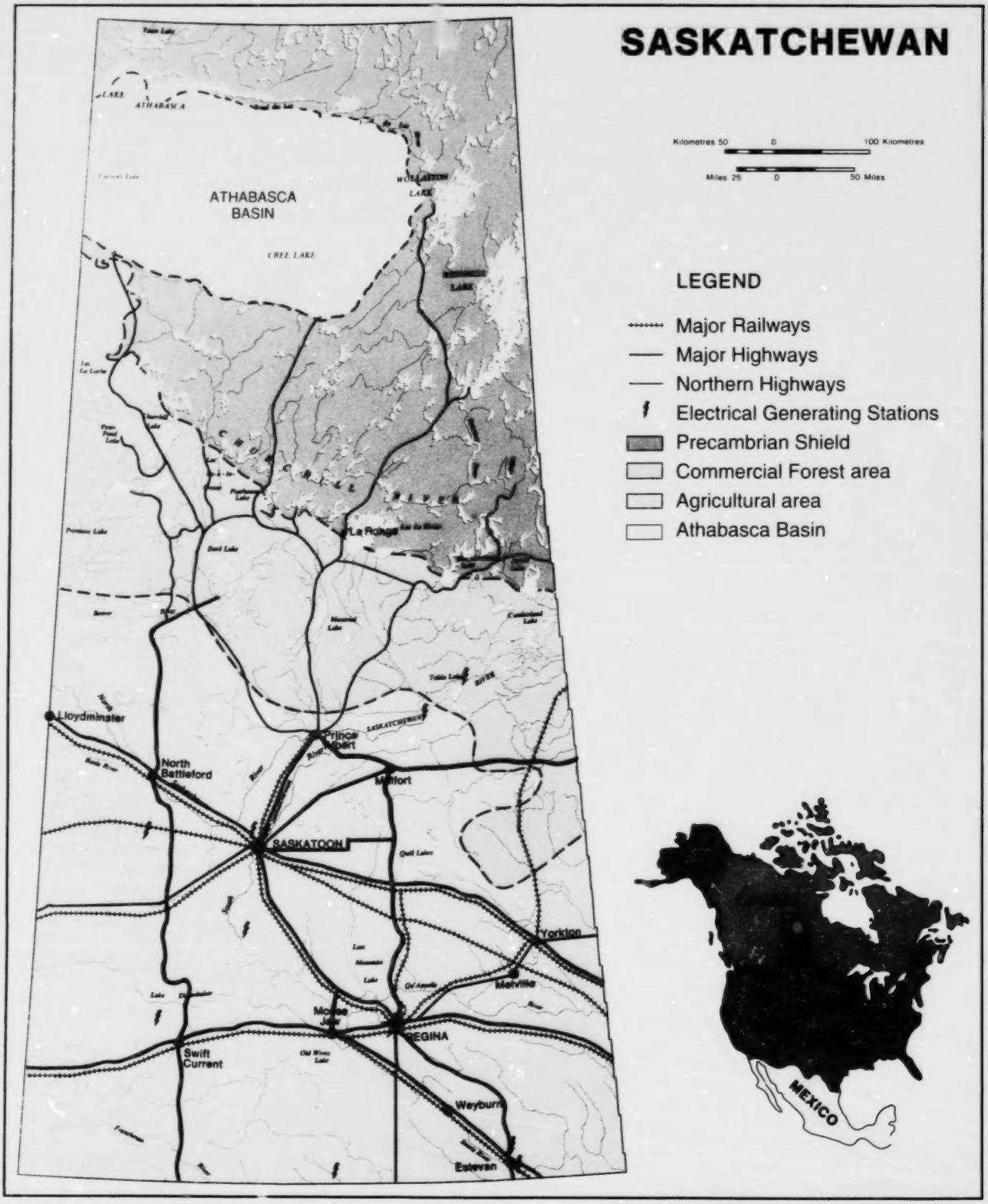
Title: Executive Director
Capital Markets Branch
Treasury and Debt Management Division
Department of Finance

Exhibit d

Province of Saskatchewan

Current Description

November 2000


SASKATCHEWAN
Kilometres 50 0 100 Kilometres
Miles 25 0 50 Miles
LEGEND
Major Railways
Major Highways
Northern Highways
Electrical Generating Stations
Precambrian Shield
Commercial Forest area
Agricultural area
Athabasca Basin
ATHABASCA BASIN
CREE LAKE
WOLLASTON LAKE
LAKE ATHABASCA
La Ronge
Lloydminster
North Battleford
Prince Albert
Melfort
SASKATOON
Yorkton
Melville
Moose Jaw
REGINA
Swift Current
Weyburn
Estevan
MEXICO

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Mineral Map of Saskatchewan	Back Cover

In this document, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in Canadian dollars. On November 30, 2000, the noon buying rate in New York City for Canadian dollars ("$"), as reported by the Federal Reserve Bank of New York, was $1.5355 = 1.00 United States dollar ("U.S. $").

Tonnes as used in this document refers to metric tons. One tonne is equivalent to 1.102311 short tons.

In this document, the financial transactions of the general fund of the Government are recorded under the General Revenue Fund. (Refer to page 17 for further information.)

The Government uses accrual accounting. The accrual accounting method recognizes financial transactions at the time they occur, regardless of whether any cash is received or paid. This method of accounting provides a complete picture of the total financial obligations resulting from decisions made during the year. The General Revenue Fund follows the accrual method except for pension costs and receipts from the federal government for corporate and personal income taxes.

The Canadian Dollar

Canada maintains a floating exchange rate for the Canadian dollar to permit the rate to be determined by market forces without intervention except as required to maintain orderly conditions.

Recent high and low exchange rates for the Canadian dollar in terms of United States cents are as follows:

	1995	1996	1997	1998	1999	2000*
High	75.33	75.26	74.93	71.23	69.35	69.84
Low	70.09	72.12	69.45	63.11	64.62	63.97

Source: Bank of Canada.
* First eleven months only.

PROVINCE OF SASKATCHEWAN

Summary Economic and Financial Statistics

The following information is qualified in its entirety by the more detailed information contained in this document. See also "General Revenue Fund Supplementary Financial Information - Government of the Province of Saskatchewan, General Revenue Fund Statement of Financial Assets, Liabilities and Accumulated Deficit" on page 33 for a discussion of the Provincial Auditor's report accompanying the General Revenue Fund's financial statements as at March 31, 2000, and for the year then ended.

	Calendar Year Ended December 31					Compound Annual Growth Rate
	1995	1996	1997	1998	1999	1995-1999
			(Millions)			
Economy						
Gross Domestic Product at Current Market Prices	$ 26,411	$ 28,519	$ 28,942	$ 28,081	$ 29,529	2.8 %
Farm Cash Receipts	$ 5,397	$ 5,757	$ 5,993	$ 5,588	$ 5,462	0.3
Mineral Sales	$ 4,600	$ 5,599	$ 5,730	$ 4,801	$ 6,420	8.7
Manufacturing Shipments	$ 4,719	$ 5,287	$ 6,126	$ 5,895	$ 6,114	6.7
Exports	$ 16,089	$ 17,417	$ 18,673	$ 17,604	$ 18,709	3.8
Personal Income	$ 19,838	$ 21,164	$ 20,623	$ 21,705	$ 22,368	3.0
Population at July 1 (Thousands)	1,014	1,019	1,022	1,025	1,026	0.3
Unemployment Rate	6.6 %	6.6 %	5.9 %	5.7 %	6.1 %	N/A
Change in Consumer Price Index[1]	1.9 %	1.9 %	1.3 %	1.4 %	1.7 %	N/A

[1] 1992 = 100

N/A – not applicable.

	Fiscal Year Ended March 31					
	1996	1997	1998	1999	2000	Estimate 2001
			(Millions)			
Government Finances - General Revenue Fund						
Budgetary surplus (deficit)[1]	$ 18	$ 407	$ 35	$ 28	$ 83	$ 9
Add (deduct) non-cash items						
Amortization of foreign exchange gains and losses	(7)	(6)	3	9	6	9
Loss on loans and investments	1	1	1	2	1	4
Net change in non-cash operating activities	45	13	(8)	2	(223)	(50)
Earnings retained in sinking funds	(10)	(15)	(24)	(27)	(23)	(28)
Investing Activities						
Cash provided by (used for) investing activities	36	538	383	506	87	215
Cash Provided (Required)	$ 83	$ 938	$ 390	$ 520	$ (69)	$ 159

[1] For information concerning the adverse effect on the reported budgetary surplus (deficit) of certain adjustments that are required in the opinion of the Provincial Auditor, see Notes 1-5 to the Government of the Province of Saskatchewan, General Revenue Fund Statement of Financial Assets, Liabilities and Accumulated Deficit for the five years ended March 31, 2000, under "General Revenue Fund Supplementary Financial Information," commencing on page 33.

	Fiscal Year Ended March 31				
	1996	1997	1998	1999	2000
			(Millions)		
Debt - General Revenue Fund					
Gross Debt	$ 14,038	$ 13,056	$ 12,629	$ 12,108	$ 11,868
Less: Equity in Sinking Funds	(515)	(770)	(1,075)	(1,026)	(997)
Guaranteed Debt	663	577	496	427	349
Total General Revenue Fund Debt	$ 14,186	$ 12,863	$ 12,050	$ 11,509	$ 11,220

In this document statistics for the economy of the Province are set forth on a calendar year basis at current market prices, except as otherwise indicated. Economic statistics for recent years frequently are preliminary estimates, which are subject to adjustment. Financial statistics and information for the Government's General Revenue Fund are set forth on a fiscal year basis of April 1 to March 31 of the following year, unless otherwise noted. Financial statistics and information for provincial Crown corporations are set forth on a fiscal year basis of January 1 to December 31 of the same year, unless otherwise noted. In this document, compound annual growth rates assume the first year as the base and are computed by distributing the aggregate amounts of growth during the period.

PROVINCE OF SASKATCHEWAN

Introduction

The Province of Saskatchewan ("Saskatchewan" or the "Province") was established as a province of Canada in 1905. Saskatchewan is centrally located in Western Canada and is bordered by the provinces of Manitoba to the east and Alberta to the west. The Province shares its 650 kilometre southern border with the American states of North Dakota and Montana and its 450 kilometre northern border with the Northwest Territories of Canada. With a 1,250 kilometre distance from north to south, Saskatchewan covers an area of 652,330 square kilometres.

The sparsely populated northern third of the Province is part of Canada's Precambrian Shield and consists of forests, rivers and thousands of fresh water lakes. A sizeable commercial forest region is located across the entire central part of Saskatchewan. The southern half of the Province is part of the great continental plain of North America, consisting of a mixed agricultural and parkland area merging southward into open plains, a grain-growing region where the majority of the Province's population resides. About one-half of all of Canada's cultivated farm land is located in Saskatchewan.

The population of Saskatchewan was approximately 1,023,636 on July 1, 2000, compared with approximately 1,025,720 on July 1, 1999, and 1,019,265 on July 1, 1989. The Province's two largest urban areas are the cities of Regina, the capital of Saskatchewan, with a population of approximately 199,163 on July 1, 1999, and Saskatoon, with a population of approximately 231,403 as of the same date.

The climate of Saskatchewan is generally dry with temperatures varying markedly between very distinct seasons. The following table sets forth statistics on Saskatchewan's population, area and climate.

Saskatchewan Statistics

Population
1,023,636 (July 1, 2000)

Major Urban Centres
Regina
- Capital of Saskatchewan
- 199,163 (July 1, 1999)

Saskatoon
- Centre for Saskatchewan's resource-based and advanced technology industries
- 231,403 (July 1, 1999)

Population Density
1 person per 0.64 square kilometre (0.25 per square mile)

Mean Temperatures Range (Regina)

January	-11 to -22 degrees Celsius
July	26 to 12 degrees Celsius

Mean Precipitation (Regina)

January	15 millimetres
July	59 millimetres
Year	364 millimetres

Area
Land:
- 570,700 square kilometres (220,350 square miles)

Fresh Water:
- 81,630 square kilometres (31,520 square miles)

Total:
- 652,330 square kilometres (251,870 square miles)

Farm Land:
- 268,655 square kilometres (103,730 square miles)

Cultivated Farm Land:
- 202,470 square kilometres (78,170 square miles)

Commercial Forests:
- 126,300 square kilometres (48,760 square miles)

Sources: Saskatchewan Bureau of Statistics, Statistics Canada.

Constitutional Framework of Canada

Canada consists of a federation of ten provinces with a constitutional division of powers between the federal and provincial governments. Canada was established by the *Constitution Act, 1867*, an Act of the Parliament of the United Kingdom, and by later enactments including the *Constitution Act, 1982*, which transferred jurisdiction over the Constitution of Canada (the "Constitution") from the United Kingdom to Canada.

Various constitutional issues have been under discussion in Canada for a number of years. On August 20, 1998, in response to a reference from the Federal government, the Supreme Court of Canada ruled that under the Constitution of Canada and international law, Quebec may not secede unilaterally from Canada, but that if the people of Quebec voted to secede by a clear majority vote on a clear question, the other provinces and the Federal Government would be obliged to enter negotiations with Quebec with respect to secession, such negotiations to be guided by constitutional principles, including federalism, democracy, constitutionalism and the rule of law, and the protection of minorities.

Under the Constitution, each provincial Legislature has exclusive authority to borrow money on the sole credit of that province and the authority to raise revenue for provincial purposes through direct taxation within its territorial limits. Legislatures can also raise revenue through taxation in respect of non-renewable natural resources, forestry resources and sites and facilities for electricity production and generation. Each province owns minerals and other resources on its provincial Crown lands and may own sub-surface resources on its other lands. Each province has the right to levy royalties on all lands and minerals which it owns. Each province has the legislative authority to regulate the exploration for and development, conservation and management of non-renewable natural resources, forestry resources and electricity generation. Each province also has legislative authority in the areas of education, health, social services, property and civil rights, natural resources, municipal institutions and generally all matters of a purely local or private nature.

The Parliament of Canada is empowered to borrow money and to raise revenue by any mode or system of taxation. Parliament has legislative authority over, among other things, the federal public debt and federal property, the regulation of trade and commerce, currency and coinage, banks and banking, bankruptcy and insolvency, navigation and shipping, foreign affairs, defence, postal service and unemployment insurance. It also has authority over matters not assigned to the provincial legislatures.

Provincial Government

The executive power in the Province of Saskatchewan is vested in the Lieutenant Governor acting upon the advice of the Executive Council, which is responsible to the Legislative Assembly. The Lieutenant Governor is appointed by the Governor General of Canada in Council and the Governor General in turn is appointed by a commission under the Great Seal of Canada. The Executive Council, which includes the Premier and the Ministers of Departments of the Provincial Government, is appointed by the Lieutenant Governor on the nomination of the leader of the political party which forms the Government. Members of the Executive Council hold seats in the Legislative Assembly.

Saskatchewan's Legislative Assembly has 58 seats and is elected for a term of five years, subject to earlier dissolution by the Lieutenant Governor acting in accordance with constitutional principles. The Legislative Assembly is usually dissolved by the Lieutenant Governor on the recommendation of the Premier. The most recent Provincial election was held on September 16, 1999, and resulted in the formation of a coalition between the New Democratic Party and the Liberal Party as the Government of Saskatchewan. The representation in the Legislative Assembly at November 30, 2000 was as follows: New Democratic Party, 28 seats; Saskatchewan Party, 26 seats; Liberal Party, 3 seats; vacant, 1 seat.

OVERVIEW OF THE ECONOMY

Introduction

Saskatchewan has a modern, open and diversified economy. Approximately two-thirds of the total value of all goods and services produced in the Province are exported. Major exports include grains, oil seeds, crude oil, potash and manufactured goods. While many of the goods and service producing industries are directly or indirectly related to agriculture and natural resources, the Provincial economy continues to diversify into information age activities such as high technology, bio-technology and financial and other services. The Province's abundance of renewable and non-renewable resources has made it the largest producer of wheat, second largest producer of crude oil and third largest natural gas producer in Canada. Saskatchewan is also one of the world's leading suppliers of potash and uranium.

Saskatchewan's economy expanded at an annual real rate of 3.0 per cent in 1999. Canada's real Gross Domestic Product ("GDP") increased by 4.5 per cent in the same year.

Mining is the largest sector among Saskatchewan's goods-producing industries. The dominant mineral products of the Province include crude oil, potash, natural gas and uranium. Buoyed by rising prices, the number of oil and natural gas wells drilled increased by 30.8 per cent and 63.1 per cent, respectively, in 1999. The value of oil, natural gas and potash sales rebounded, growing by 58.1 per cent, 42.7 per cent and 10.4 per cent, respectively, in the same year.

Agriculture is the second largest sector among Saskatchewan's goods producing industries. Saskatchewan farmers harvested 25.3 million tonnes of the major grains and oilseeds in 1998, about 5.0 per cent more than the harvest in 1997. In 1999, the volume of crop production increased further to 28.2 million tonnes, about 11.3 per cent more than in 1998. Saskatchewan farm cash receipts amounted to $5.6 billion in 1998, down 6.8 per cent from 1997. Low grain prices reduced farm cash receipts further by 2.3 per cent to $5.5 billion in 1999. In 1998, realised net farm income, which is the income left with farmers after deducting operating expenses and depreciation costs from farm cash receipts, amounted to $531 million, a decrease of 44.0 per cent from the previous year. In 1999, realised net farm income amounted to $347 million, a decline of 34.7 per cent from 1998.

Manufacturing is also an important sector of the Saskatchewan economy with food processing, farm machinery, chemical products and high technology being the main components of this sector. In 1999, Saskatchewan's manufacturing shipments increased by 3.7 per cent.

Saskatchewan's employment level increased by 1.3 per cent or 6,300 jobs in 1998. Provincial employment increased by a further 0.8 per cent or 3,800 jobs in 1999. In Canada, employment increased by 2.6 per cent or 366,000 jobs in 1998 and 2.8 per cent or 390,800 jobs in 1999.

Saskatchewan's unemployment rate averaged 5.7 per cent in 1998 and 6.1 per cent in 1999. The national unemployment rate averaged 8.3 per cent in 1998 and 7.6 per cent in 1999.

The inflation rate of the Province, as measured by the rate of increase in the Consumer Price Index, was 1.4 per cent in 1998 and 1.7 per cent in 1999 compared to Canada's inflation rates of 0.9 per cent and 1.7 per cent, respectively.

The following table sets forth a summary of economic indicators for Saskatchewan and for Canada for the five years ended December 31, 1999.

Summary of Economic Indicators

	Calendar Year Ended December 31					Compound Annual Growth Rate
	1995	1996	1997	1998	1999	1995-1999
Gross Domestic Product - Saskatchewan						
Current Market Prices (Millions)	$ 26,411	$ 28,519	$ 28,942	$ 28,081	$ 29,529	2.8 %
Annual Rate of Change	7.4 %	8.0 %	1.5 %	(3.0)%	5.2 %	N/A
Per Capita	$ 26,042	$ 27,975	$ 28,318	$ 27,399	$ 28,789	2.5 %
Constant 1992 Prices (Millions)	$ 23,748	$ 24,603	$ 25,938	$ 25,720	$ 26,481	2.8 %
Annual Rate of Change	2.1 %	3.6 %	5.4 %	(0.8)%	3.0 %	N/A
Per Capita	$ 23,416	$ 24,133	$ 25,379	$ 25,095	$ 25,817	2.5 %
Gross Domestic Product - Canada						
Current Market Prices (Millions)	$ 807,088	$ 833,070	$ 877,921	$ 901,805	$ 957,911	4.4 %
Annual Rate of Change	5.2 %	3.2 %	5.4 %	2.7 %	6.2 %	N/A
Per Capita	$ 27,495	$ 28,076	$ 29,277	$ 29,814	$ 31,414	3.4 %
Constant 1992 Prices (Millions)	$ 769,082	$ 780,916	$ 815,013	$ 842,002	$ 880,254	3.4 %
Annual Rate of Change	2.8 %	1.5 %	4.4 %	3.3 %	4.5 %	N/A
Per Capita	$ 26,200	$ 26,318	$ 27,179	$ 27,837	$ 28,867	2.5 %
Consumer Price Index[1] (Annual Percentage Change)						
Saskatchewan	1.9 %	1.9 %	1.3 %	1.4 %	1.7 %	N/A
Canada	2.2 %	1.6 %	1.6 %	0.9 %	1.7 %	N/A
Population (July 1)(Thousands)						
Saskatchewan	1,014	1,019	1,022	1,025	1,026	0.3 %
Canada	29,354	29,672	29,987	30,248	30,493	1.0 %
Unemployment Rate						
Saskatchewan	6.6 %	6.6 %	5.9 %	5.7 %	6.1 %	N/A
Canada	9.4 %	9.6 %	9.1 %	8.3 %	7.6 %	N/A

[1] 1992 = 100

N/A – not applicable

Sources: Saskatchewan Bureau of Statistics, Statistics Canada

Gross Domestic Product

Saskatchewan's real GDP measured in constant 1992 dollars increased at a compound average annual rate of 2.8 per cent in the period from 1995 to 1999. Measured in current market prices, Saskatchewan's GDP grew at a compound average annual rate of 2.8 per cent in the same period. In 1999, Saskatchewan's real GDP increased by 3.0 per cent.

The following table sets forth the composition of the Province's GDP both at current market prices and in constant 1992 dollars for the five years ended December 31, 1999.

Gross Domestic Product

	Year Ended December 31					Compound Annual Growth Rate
	1995	1996	1997	1998	1999	1995-1999
			(Millions)			
Gross Domestic Product						
Current Market Prices						
Personal Expenditure on Goods and Services	$ 14,764	$ 15,465	$ 16,275	$ 16,646	$ 17,181	3.9 %
Government Expenditure on Goods and Services	5,646	5,598	5,689	5,881	5,993	1.5 %
Gross Fixed Capital Formation	4,989	5,673	7,496	6,624	6,778	8.0 %
Value of Physical Change in Inventories:						
Non-Farm	576	276	481	(151)	(25)	N/A
Farm Inventories and Grain in Commercial Channels	(95)	694	(699)	(309)	(234)	N/A
Exports of Goods and Services	16,089	17,417	18,673	17,604	18,709	3.8 %
Less: Imports of Goods and Services	15,621	16,993	18,769	18,970	19,075	5.1 %
Residual Error and Adjustment	63	389	(204)	756	202	N/A
Total	$ 26,411	$ 28,519	$ 28,942	$ 28,081	$ 29,529	2.8 %
Gross Domestic Product						
Constant 1992 Dollars						
Personal Expenditure on Goods and Services	$ 13,912	$ 14,325	$ 14,842	$ 15,092	$ 15,607	2.9 %
Government Expenditure on Goods and Services	5,304	5,166	5,165	5,324	5,441	0.6 %
Gross Fixed Capital Formation	4,617	5,264	6,869	5,969	6,096	7.2 %
Value of Physical Change in Inventories:						
Non-Farm	488	249	402	(118)	(80)	N/A
Farm Inventories and Grain in Commercial Channels	104	490	(317)	(7)	39	N/A
Exports of Goods and Services	13,225	13,825	15,548	15,168	15,434	3.9 %
Less: Imports of Goods and Services	13,958	15,050	16,389	16,399	16,237	3.9 %
Residual Error and Adjustment	57	335	(182)	692	181	N/A
Total	$ 23,749	$ 24,604	$ 25,938	$ 25,721	$ 26,481	2.8 %

N/A – not applicable

Note: Components may not add due to rounding.

Source: Saskatchewan Bureau of Statistics

Capital Expenditure

Gross fixed capital formation increased at a compound average annual rate of 8.0 per cent over the period from 1995 to 1999. Investment in transportation increased by 34.5 per cent; manufacturing 10.2 per cent; institutions 16.1 per cent; and finance and insurance 12.5 per cent.

The following table sets forth information on Saskatchewan's gross fixed capital formation for the five years ended December 31, 1999.

Gross Fixed Capital Formation

	Year Ended December 31					Compound Annual Growth Rate
	1995	1996	1997	1998	1999	1995-1999
			(Millions)			
Agriculture[1]	$ 781	$ 760	$ 949	$ 905	$ 862	2.5 %
Mining[2]	1,306	1,723	2,843	1,621	1,357	1.0
Construction	68	72	87	96	97	9.3
Manufacturing	217	254	294	382	320	10.2
Transportation	416	497	582	1,014	1,362	34.5
Communication	184	195	205	193	205	2.7
Miscellaneous Utilities	211	183	222	253	302	9.4
Retail and Wholesale Trade	286	355	381	244	281	(0.4)
Finance and Insurance	778	922	1,099	1,142	1,244	12.5
Commercial Services	83	76	88	90	85	0.6
Institutions	127	152	214	172	231	16.1
Public Administration	338	376	411	389	286	(4.1)
Total[3]	$ 4,989	$ 5,673	$ 7,496	$ 6,624	$ 6,778	8.0 %

[1] Includes fishing, trapping and hunting.

[2] Includes oil, potash, uranium, natural gas and other minerals.

[3] Includes forestry, real estate and other services not shown above. Components will not add to total.

Source: Saskatchewan Bureau of Statistics

Exports and Imports

Grains, crude oil, manufactured goods and potash are Saskatchewan's principal exports, accounting for 15.3 per cent, 13.4 per cent, 12.4 per cent and 8.7 per cent, respectively, of total exports in 1999. For the five years ended December 31, 1999, total exports increased by an average of 3.8 per cent per year while imports increased by an average of 5.1 per cent per year.

The following table sets forth details of Saskatchewan's exports and imports at current market prices for the five years ended December 31, 1999.

Trade with the Rest of Canada and Abroad

	Year Ended December 31					Compound Annual Growth Rate
	1995	1996	1997	1998	1999	1995-1999
			(Millions)			
Exports						
Grain	$ 3,546	$ 3,543	$ 3,637	$ 3,162	$ 2,860	(5.2)%
Crude Oil	1,849	2,573	2,423	1,623	2,506	7.9
Potash	1,219	1,116	1,505	1,620	1,633	7.6
Manufactured Goods to the Rest of Canada	1,984	2,062	2,383	2,227	2,323	4.0
Other	7,491	8,123	8,725	8,972	9,387	5.8
Total Exports	$ 16,089	$ 17,417	$ 18,673	$ 17,604	$ 18,709	3.8
Imports						
Crude Oil	167	235	193	188	188	3.0
Manufactured Goods from the Rest of Canada	4,530	5,189	5,342	5,205	5,414	4.6
Other	10,924	11,569	13,234	13,577	13,473	5.4
Total Imports	$ 15,621	$ 16,993	$ 18,769	$ 18,970	$ 19,075	5.1 %

Source: Saskatchewan Bureau of Statistics

Labour Force and Employment

Saskatchewan's unemployment rate remained well below the national unemployment rate in 1999. The national unemployment rate stood at 7.6 per cent in 1999, while Saskatchewan's unemployment rate was 6.1 per cent in the same year.

In the first nine months of 2000, Saskatchewan's seasonally adjusted unemployment rate has averaged 5.2 per cent, compared to the national average unemployment rate of 6.8 per cent over the same period.

The following table sets forth selected labour force statistics for Saskatchewan and Canada for the five years ended December 31, 1999.

Labour Force Statistics

	Calendar Year Ended December 31					Compound Annual Growth Rate
	1995	1996	1997	1998	1999	1995-1999
	(Thousands, Except Percentages)					
Labour Force						
Saskatchewan	492	490	500	505	511	0.9 %
Canada	14,750	14,900	15,153	15,418	15,721	1.6 %
Employed						
Saskatchewan	459	458	470	476	480	1.1 %
Canada	13,357	13,463	13,774	14,140	14,531	2.1 %
Unemployed						
Saskatchewan	33	32	29	29	31	(1.3)%
Canada	1,393	1,437	1,379	1,278	1,190	(3.9)%
Unemployment Rate						
Saskatchewan	6.6 %	6.6 %	5.9 %	5.7 %	6.1 %	N/A
Canada	9.4 %	9.6 %	9.1 %	8.3 %	7.6 %	N/A
Participation Rate						
Saskatchewan	66.2 %	65.4 %	66.3 %	66.6 %	67.0 %	N/A
Canada	64.9 %	64.7 %	64.9 %	65.1 %	65.6 %	N/A

N/A - not applicable
Source: Statistics Canada.

Approximately 21,000 net new jobs were created in the Province in the period from 1995 to 1999. Mining, manufacturing, business & community services, wholesale and retail trade and construction were the leaders in terms of job creation during the period in review.

The following table sets forth selected statistics of employment by industry for the Province.

Employment by Industry

	Year Ended December 31					Compound Annual Growth Rate
	1995	1996	1997	1998	1999	1995-1999
			(Thousands)			
Goods-Producing Industries						
Agriculture	73	72	70	72	68	(1.8)%
Mining	12	14	17	16	14	2.1
Construction	22	20	22	22	24	1.4
Manufacturing	26	28	29	30	28	2.3
Subtotal	133	134	138	140	133	0.0
Service Industries						
Transportation, Communication, Utilities and Storage	28	27	28	27	29	0.5
Wholesale and Retail Trade	71	70	71	74	77	1.9
Finance, Insurance and Real Estate	25	25	25	25	25	(0.6)
Business and Community Services	172	173	178	181	191	2.6
Public Administration	30	29	30	29	27	(2.5)
Subtotal	326	324	332	336	347	1.6
Total	459	458	470	476	480	1.1 %

Note: Components may not add due to rounding.
Source: Saskatchewan Bureau of Statistics.

Personal Income

Saskatchewan personal income increased at a compound average annual rate of 3.0 per cent over the period from 1995 to 1999. The following table sets forth personal income for Saskatchewan for the five years ended December 31, 1999.

Personal Income

	Year Ended December 31					Compound Annual Growth Rate
	1995	1996	1997	1998	1999	1995-1999
			(Millions)			
Wages, Salaries and Supplementary Labour Income	$ 11,086	$ 11,443	$ 12,242	$ 12,831	$ 13,167	4.4 %
Net Income Received by Farm Operators from Farm Production	547	1,415	119	225	276	(15.7)
Net Income of Non-Farm Unincorporated Business[1]	1,492	1,579	1,693	1,834	1,901	6.2
Interest, Dividends and Miscellaneous Investment Income	2,872	2,845	2,616	2,678	2,743	(1.1)
Others	3,841	3,882	3,953	4,137	4,281	2.7
Total	$ 19,838	$ 21,164	$ 20,623	$ 21,705	$ 22,368	3.0 %

[1] Includes rent.

Source: Saskatchewan Bureau of Statistics.

Economic Structure

The following table sets forth Saskatchewan's GDP at factor cost by industry for the five years ended December 31, 1998.

Gross Domestic Product at Factor Cost by Industry in Millions of 1992 Dollars

	Year Ended December 31					Per Cent of 1998 Total	Compound Annual Growth Rate 1994-1998
	1994	1995	1996	1997	1998		
			(Millions)				
Goods-Producing Industries							
Agriculture	$ 1,816	$ 1,630	$ 1,944	$ 1,817	$ 1,924	8.1	1.5 %
Mining[1]	2,983	3,094	3,111	3,566	3,357	14.1	3.0
Manufacturing	1,155	1,163	1,353	1,562	1,500	6.3	6.8
Construction	1,167	1,171	1,358	1,614	1,488	6.2	6.3
Forestry[2]	96	93	109	113	113	0.5	4.3
Subtotal	$ 7,217	$ 7,151	$ 7,875	$ 8,671	$ 8,383	35.2	3.8
Services Industries							
Business, Personal and Community Services	$ 4,339	$ 4,387	$ 4,489	$ 4,565	$ 4,790	20.1	2.5
Finance, Insurance and Real Estate	2,985	3,122	3,149	3,263	3,343	14.0	2.9
Wholesale and Retail Trade	2,356	2,252	2,360	2,674	2,753	11.6	4.0
Transportation	1,420	1,459	1,475	1,610	1,613	6.8	3.2
Communication and Utilities	1,419	1,425	1,499	1,539	1,538	6.5	2.0
Public Administration	1,361	1,341	1,323	1,341	1,405	5.9	0.8
Subtotal	$ 13,879	$ 13,985	$ 14,294	$ 14,992	$ 15,442	64.8	2.7
Gross Domestic Product at Factor Cost	$ 21,095	$ 21,136	$ 22,169	$ 23,663	$ 23,824	100.0	3.1 %

[1] Includes oil, potash, uranium, natural gas and other minerals.

[2] Includes fishing.

Note: Components may not add due to rounding. GDP at factor cost and GDP at market prices differ by the amount of "indirect taxes net of subsidies." GDP at factor cost by industry data are not yet available for 1999.

Source: Statistics Canada.

Agriculture

Saskatchewan has approximately 61,000 farms with an average size of 1,091 acres. With slightly less than half of the total land area of the Province utilized for farming, the Province still has approximately half of the cultivated farm land in all of Canada.

Historically, wheat has been Saskatchewan's largest single grain crop in terms of volume and value. Between 1990 and 1999, wheat accounted for 45.5 per cent of all crops grown in the Province and represented over half of all the wheat grown in Canada. In 1999, wheat's share accounted for 37.0 per cent of the total Saskatchewan crop harvest. Other major grains and oilseeds such as durum, barley and canola accounted for 53.2 per cent of total crop production in 1999. Specialty crops such as mustard, lentils and peas accounted for 9.8 per cent of the total harvest in 1999.

Crop Production

	Calender Year Ended December 31										1990 to 1999 10 year Average
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	
	(Millions of Tonnes)										
Wheat	14.2	14.9	13.6	12.3	8.4	9.0	12.8	9.6	7.9	10.4	11.3
Durum	3.3	3.6	2.6	2.7	3.7	3.7	3.8	3.5	4.7	3.4	3.5
Barley	3.9	3.1	3.2	4.2	3.9	4.4	5.4	4.4	4.3	4.9	4.2
Canola	1.4	1.7	1.5	2.4	3.2	2.6	2.2	2.7	3.2	4.0	2.5
Specialty Crops[1]	0.6	0.6	0.7	1.2	1.8	1.6	1.6	1.8	2.5	2.8	1.5
Other[2]	1.5	0.9	0.9	1.6	2.2	1.9	2.5	2.1	2.7	2.7	1.9
Total	24.9	24.8	22.5	24.5	23.2	23.2	28.2	24.1	25.3	28.2	24.9

[1] Includes mustard, sunflowers, lentils, field peas and canary seed.
[2] Includes oats, fall rye, spring rye, flax and mixed grain.
Source: Statistics Canada.

Livestock production is also important in Saskatchewan. Approximately one-quarter of the total Canadian beef cattle herd is located in the Province. Other livestock raised in Saskatchewan include hogs, sheep, lambs, poultry and dairy cattle.

Farm cash receipts from crop production totalled $3.7 billion in 1999, with wheat and durum accounting for $1.6 billion, or 43.9 per cent, of the year's total cash receipts from crop sales. Farm cash receipts from the sale of livestock and livestock products amounted to $1.4 billion in 1999, with cattle and calves accounting for $968 million, or 71.2 per cent, of the year's total cash receipts from livestock sales.

The following table sets forth Saskatchewan's farm cash receipts for the five years ended December 31, 1999.

Farm Cash Receipts

	Year Ended December 31					Compound Annual Growth Rate
	1995	1996	1997	1998	1999	1995-1999
			(Millions)			
Crops						
Wheat and Durum	$ 2,309	$ 2,373	$ 2,412	$ 1,866	$ 1,596	(8.8)%
Canola	790	750	873	1,119	788	(0.1)
Barley	359	468	398	281	255	(8.2)
Other Crops[1]	625	662	810	845	997	12.4
Subtotal	$ 4,084	$ 4,253	$ 4,494	$ 4,112	$ 3,636	(2.9)
Livestock & Livestock Products						
Cattle & Calves	$ 625	$ 622	$ 808	$ 858	$ 968	11.6
Hogs	161	183	186	141	144	(2.7)
Other Livestock and Livestock Products[2]	215	233	239	241	246	3.4
Subtotal	$ 1,002	$ 1,039	$ 1,233	$ 1,241	$ 1,359	7.9
Supplementary, Deficiency, Stabilization, Insurance and Other Payments	$ 312	$ 466	$ 265	$ 236	$ 467	10.7
Total Farm Cash Receipts	$ 5,397	$ 5,757	$ 5,993	$ 5,588	$ 5,462	0.3 %

[1] Includes net deferments.

[2] Includes sheep, lambs, dairy products, poultry, eggs and other livestock products.

Note: Components may not add due to rounding.

Source: Statistics Canada.

Total farm revenue is made up of three components: crop receipts, livestock receipts and government program payments. Crop receipts amounted to $3.7 billion in 1999, down 11.6 per cent from 1998. Farm cash receipts from livestock sales amounted to $1.4 billion in the same year, up 9.5 per cent from 1998. Government payments in 1999 amounted to $467.0 million compared with the $236.0 million provided by both the federal and provincial governments to farmers in 1998.

Saskatchewan's 1999 realized net farm income amounted to $347.0 million, down 34.6 per cent from the 1998 amount of $531.0 million. Realized net farm income is the result of deducting farm operating expenses and depreciation cost from farm cash receipts.

Realized net farm income and net income received by farm operators are two different measures of farm income. The latter is derived by adding the value of farm inventory change to, and subtracting farm corporation profits from, realized net farm income.

Mining and Petroleum/Natural Gas

In 1999, the total value of mineral sales amounted to $6.4 billion, an increase of 33.7 per cent from the prior year. Crude oil, natural gas and potash accounted for about 83.5 per cent of the total value of mineral sales in 1999.

In the first seven months of 2000, total sales of crude oil amounted to $2.9 billion, an increase of 111.1 per cent from the comparable period in 1999. Sales of natural gas increased by 57.5 per cent for the first seven months of 2000.

The following table sets forth Saskatchewan's value and volume of mineral sales for the five years ended December 31, 1999.

Mineral Sales

	Year Ended December 31					Compound Annual Growth Rate
	1995	1996	1997	1998	1999	1995-1999
	(Millions of Dollars Unless Otherwise Indicated)					
Value of Mineral Sales						
Oil	$ 2,319	$ 3,138	$ 2,904	$ 1,974	$ 3,092	7.5 %
Natural Gas	374	393	421	447	635	14.1
Potash	1,217	1,116	1,505	1,625	1,634	7.6
Other	690	953	900	753	1,059	11.3
Total	$ 4,600	$ 5,599	$ 5,730	$ 4,801	$ 6,420	8.7
Volume of Mineral Sales						
Oil (millions of barrels)	118	132	149	146	137	3.8 %
Natural Gas (millions of cubic metres)	7,778	6,927	6,259	6,002	6,357	(4.9)
Potash (thousands of tonnes)	7,687	7,030	8,717	8,036	7,994	1.0

Note: Components may not add due to rounding.

Source: Saskatchewan Bureau of Statistics and Saskatchewan Energy and Mines.

Other includes Uranium, Gold, Silver, Sodium Sulphate, Cadmium, Selenium, Tellurium, Zinc, Copper, Salt, Coal, Sand and Gravel.

Oil. Saskatchewan is the second largest crude oil producing province in Canada. At December 31, 1999, remaining recoverable reserves in the Province were estimated at 1,071.0 million barrels of crude oil economically recoverable at then-current conditions. This estimate is subject to change with price fluctuations and technological improvements.

The volume of Saskatchewan oil sales increased at a compound annual growth rate of 3.8 per cent from 1995 to 1999 and the value of oil sales increased by 7.5 per cent in the same period.

Saskatchewan crude oil production is of light, medium and heavy gravity. The major market for Saskatchewan's oil is the upper midwest of the United States (approximately 60.0 - 65.0 per cent). The remaining production is marketed mostly in Saskatchewan (primarily to the NewGrade Energy Inc. ("NewGrade") heavy oil upgrader located in Regina and the Husky Upgrader (formerly called "Bi-Provincial Heavy Oil Upgrader") located near Lloydminster, with a small percentage marketed in Alberta.

Both the NewGrade and Husky Upgraders are designed to produce an output of light synthetic crude oil from a feedstock of blended heavy crude oil. In 1999, New Grade used approximately 19 million barrels of crude oil feedstock of which 18 million barrels were blended heavy crude oil. During the same year, the Husky Upgrader used approximately 25 million barrels of blended heavy oil.

In addition to local companies, a large number of multinational oil and gas companies were actively involved in exploration and development in the Province. From 1995 to the end of 1999, 10,451 oil wells were drilled in Saskatchewan, resulting in approximately $7.3 billion in expenditures on oil exploration and development in the Province. The oil industry has recently experienced success with deep drilling discoveries and is adopting technological improvements. For example, new horizontal drilling technology has resulted in significant increases to reserves and productive capacity. In 1999, 257 horizontal wells were drilled in the Province. A total of 1,525 oil wells have been drilled in the first eight months of 2000.

Natural Gas. The volume of Saskatchewan natural gas sales decreased at a compound average annual rate of 4.9 per cent from 1995 to 1999 while the value of natural gas sales increased by 14.1 per cent in the same period. The natural gas industry in the Province invested approximately $348.0 million in the period from 1995 to 1999 exploring for and developing natural gas reserves. During this period, 2,607 natural gas wells were drilled.

Potash. Saskatchewan has ten potash mines that produce potash from massive reserves located in southern Saskatchewan. By conservative estimates, Saskatchewan could supply world demand at current levels for several hundred years. Potash production in Saskatchewan is highly mechanized and relatively low-cost because of the regularity and thickness of deposits and the predictability of ore grades.

In recent years, Saskatchewan potash production has accounted for about 33.0 per cent of the world's output. Approximately 55.0 per cent of Saskatchewan's potash production is exported to the United States. The value of Saskatchewan potash sales amounted to $1.6 billion in 1999, an increase of 0.6 per cent from 1998. IMC Potash has announced expansion projects at two potash mines in the Province.

Uranium. Saskatchewan is the world's largest producer of uranium and mines and possesses high grade, low cost uranium resources. In 1999, uranium was produced at four facilities (Cluff Lake, Key Lake, Rabbit Lake and McClean Lake) located in the northern part of Saskatchewan.

Current and planned expansion of the Province's uranium supply capability includes the McClean Lake, Midwest, McArthur River and Cigar Lake projects. Of the current projects, construction of the mine and mill at McClean Lake commenced in 1995 and production began in June, 1999. Construction of the McArthur River project was started in 1997 and it began production in December, 1999 with the ore being processed at the Key Lake mill. Of the future expansion projects, Cigar Lake and Midwest received environmental assessment approval in March 1998 and are expected to begin production in 2003 and 2004, respectively.

Cameco Corporation ("Cameco") was formed in 1988 by combining the assets of the Saskatchewan Mining Development Corporation, a Provincial Crown corporation, and Eldorado Nuclear Limited, a federal Crown corporation. Following treasury and secondary offerings in 1991 and additional secondary offerings in 1994 and 1996, the Government's ownership in Cameco was reduced from the original 61.5 per cent to approximately 10.3 per cent at December 31, 1996 (fully diluted). Cameco offered 4 million common shares to the public in August 1997. The Government's ownership interest was approximately 9.5 per cent at December 31, 1999.

Manufacturing

The value of Saskatchewan's manufacturing shipments reached $6.1 billion in 1999, an increase of 3.7 per cent from 1998.

Manufacturing activity has been traditionally based on agriculture. Food processing is the largest component of the manufacturing sector, accounting for about 24.6 per cent of total manufacturing activity in 1999. Saskatchewan's manufacturing sector also produces farm machinery and chemical products. The further processing of primary products such as grain, livestock, forest products and oil is a growing component of Saskatchewan's manufacturing sector.

Saskatchewan's high technology industry is centred in Saskatoon. Satellite control technology, telecommunications, data communications and agricultural biotechnology products are produced in the Province for domestic and international sale.

Value of Manufacturing Shipments

	Year Ended December 31					Compound Annual Growth Rate
	1995	1996	1997	1998	1999	1995-1999
			(Millions)			
Food Processing	$ 1,083	$ 1,256	$ 1,527	$ 1,597	$ 1,502	8.5 %
Chemicals and Chemical Products	423	486	565	602	619	10.0
Electrical and Electronic	272	324	336	422	535	18.4
Wood	222	258	306	316	372	13.8
Metal Fabrication	240	279	291	284	297	5.5
Non-Metallic Minerals	68	74	89	95	89	6.9
Other	2,411	2,611	3,012	2,578	2,701	2.9
Total	$ 4,719	$ 5,287	$ 6,126	$ 5,895	$ 6,114	6.7 %

Note: Components may not add due to rounding.
Source: Statistics Canada.

Service Industries

The service industries form the largest component of the Province's economy. Services contribute a substantial part of the Province's economic growth and create the vast majority of jobs. Services accounted for approximately 72.2 per cent of total employment in the Province in 1999.

This sector is comprised of six industries, namely: business, personal and community services; finance, insurance and real estate; wholesale and retail trade; transportation; communication and utilities; and, public administration.

Of these, the biggest sector in terms of output share and employment is business, personal and community services. Output from the business, personal and community services sector accounts for one-fifth of the entire economy and approximately four out of ten jobs in the Province. This segment of the industry consists of: education and related services; heath care institutions, including hospitals, nursing homes and welfare services; religious organizations; amusement and recreation services; business services such as management and business consultants and computer services; personal services; and, accommodation and food.

Finance, insurance and real estate, which constitute a large component of the service-producing industries, represented 14.0 per cent of the entire Saskatchewan economy in 1998. This segment includes banks and other institutions delivering financial services, insurance carriers and agencies and real estate companies.

FINANCES OF THE GOVERNMENT

Introduction

The Saskatchewan Government ("Government") has general authority for the administration of provincial activities and functions within the Province. Responsibility for a variety of such activities and functions has been ceded to local government bodies and agencies under authority of a number of provincial statutes. Responsibilities of the Government not ceded to local government bodies are carried out directly by the Government and through a number of funds and provincial Crown corporations.

Funds

The General Revenue Fund financial statements have been designed primarily to provide an accounting of the financial resources appropriated by the Saskatchewan Legislative Assembly. The General Revenue Fund is the general fund of the Government to which all public monies received are credited except where the Legislative Assembly has directed otherwise Substantially all the debt of the Government is incurred pursuant to *The Financial Administration Act, 1993* and is repayable from the General Revenue Fund.

The General Revenue Fund financial statements are not intended to be summary financial statements that provide a full accounting of the financial affairs and resources of all the entities for which the Government is responsible. Only those transactions pertaining to the receipt of money from or payment of money to the General Revenue Fund are reflected in these statements. The financial transactions of other Crown entities, such as provincial Crown corporations, agencies, boards, and commissions, are reported separately from the financial transactions of the General Revenue Fund. See the "Government of Saskatchewan Summary Financial Statements" below commencing on page 60.

A variety of special purpose and other funds are administered by the Government. Included within these funds are superannuation funds, funds held in trust for third parties under various arrangements and special purpose funds. The assets, liabilities and residual balances of these funds are maintained and reported separately from those of the General Revenue Fund.

The General Revenue Fund's fiscal year begins on April 1 and ends on March 31. Revenue is recorded on the accrual basis except for receipts from the federal government for corporate and personal income taxes. Expenditures are recorded on an accrual basis except for pension costs. Expenditures include the cost of tangible capital assets and inventories received during the year.

Each year the Minister of Finance presents a budget to the Legislative Assembly that provides estimates of the Government's planned activities during the fiscal year for the General Revenue Fund. The estimates of expenditures in each fiscal year are voted by the Legislative Assembly, with the exception of those expenditures for which provision has been made previously by legislation, such as amounts required to service the debt of the Government.

Following the close of each fiscal year, the Provincial Auditor examines the accounts of the Government and renders an opinion on the various financial statements included in the Public Accounts of the Government. In addition, the Provincial Auditor is required to make a report to the Legislative Assembly on the results of his examination.

General Revenue Fund Statement of Cash Requirements and Financing

The following table summarizes cash requirements and financing of the General Revenue Fund for the five fiscal years ended March 31, 2000, and the Budget Estimate for fiscal year 2001.

General Revenue Fund Statement of Cash Requirements and Financing

	Fiscal Year Ended March 31					
	1996	1997	1998	1999	2000	Estimated 2001
	(Millions)					
Cash Requirements						
Operating Activities						
Revenue	$ 5,131	$ 5,503	$ 5,162	$ 5,603	$ 5,856	$ 6,382
Expenditures	5,113	5,096	5,127	5,575	5,773	5,968
Transfers to (from) Fiscal Stabilization Fund	—	—	—	—	—	405
Budgetary Surplus (Deficit)[1]	18	407	35	28	83	9
Add (deduct) non-cash items						
Amortization of Foreign Exchange Gains and Losses	(7)	(6)	3	9	6	9
Loss on Loans and Investments	1	1	1	2	1	4
Net Change in Non-cash Operating Activities	45	13	(8)	2	(223)	(50)
Earnings Retained in Sinking Funds	(10)	(15)	(24)	(27)	(23)	(28)
Cash provided by (used for) Operating Activities	47	400	7	14	(156)	(56)
Investing Activities						
Receipts	680	1,008	790	1,001	300	789
Disbursements	644	470	407	495	213	519
Cash provided by Investing Activities	36	538	383	506	87	270
Cash provided (Required)	$ 83	$ 938	$ 390	$ 520	$ (69)	$ 214
Financing Activities						
Proceeds from Debt	$ 1,069	$ 466	$ 486	$ 674	$ 1,436	$ 1,651
Repayment of Debt	(851)	(1,485)	(969)	(1,356)	(1,580)	(1,775)
Proceeds from (Repayment of) Debt	218	(1,019)	(483)	(682)	(144)	(124)
Increase (Decrease) in deposits held	(274)	341	12	241	330	(465)
(Increase) Decrease in Cash & Temporary Investments	(27)	(260)	81	(79)	(117)	375
Total Financing	$ (83)	$ (938)	$ (390)	$ (520)	$ 69	$ 214

[1] See Notes 1-5 commencing on page 33.

Fiscal Year 2000 Results

On July 25, 2000, the Minister of Finance released the financial results for the General Revenue Fund for the fiscal year ended March 31, 2000.

Total General Revenue Fund revenue of $5,856.9 million for the fiscal year ended March 31, 2000 increased by $254.0 million or 4.5 per cent over the previous fiscal year, principally due to higher non-renewable resource revenue and increased Equalization and Canada Health and Social transfers from the federal government partially offset by the decision to not take any of the Saskatchewan Liquor and Gaming Authority ("SLGA") net income into revenue in the fiscal year. The General Revenue Fund expenses of $5,773.4 million increased by $198.4 million or 3.6 per cent over the previous year principally due to increased costs for health care in the areas of collective bargaining agreements, Year 2000 compliance and utilization increases of insured services. Increased costs for social services, agriculture, post-secondary education and training, justice and pensions were offset by reductions in forest fire and debt servicing costs. The General Revenue Fund surplus was $83.5 million for fiscal year 2000, compared to $27.9 million for fiscal year 1999. Net cash required for operations and investments in fiscal year 2000 was $68.5 million, compared to net cash provided by operations and investments of $519.8 million in the previous year.

At March 31, 2000, gross debt of the General Revenue Fund was $11,867.9 million compared to $12,108.3 million at March 31, 1999. Approximately 67 per cent of the General Revenue Fund's gross debt at March 31, 2000 was incurred for general government purposes while 33 per cent was incurred for and reimbursable from Crown corporations. Approximately 81 per cent of the General Revenue Fund's gross debt was denominated in Canadian dollars while about 19 per cent was denominated in United States dollars at March 31, 2000.

During fiscal year 2000, the General Revenue Fund issued and sold $1,203.8 million in medium and long term debentures and increased short term debt by $142.4 million for general government purposes. During fiscal year 2000, the General Revenue Fund redeemed outstanding debentures issued for general government purposes totalling $1,346.5 million. During the same period, the General Revenue Fund issued and sold $91.7 million in medium and long term debentures for Crown corporations, decreased short term debt by $2.4 million for Crown corporations and redeemed $233.6 million of debentures issued for Crown corporations. The General Revenue Fund's sinking funds totalled $996.6 million at March 31, 2000. Contributions to the General Revenue Fund's sinking funds amounted to $73.2 million in fiscal year 2000.

Guaranteed debt of the General Revenue Fund was $348.7 million at March 31, 2000, compared to $426.8 million at March 31, 1999. This decrease of 18.3 per cent is due primarily to reduced guaranteed debt for Saskferco Products Inc. and NewGrade Energy Inc.

Fiscal Year 2001 Estimate

On March 29, 2000, the Minister of Finance tabled the Budget Address and Estimates for the fiscal year ending March 31, 2001. The Budget Estimates for the General Revenue Fund for fiscal year 2001 (the "Budget") project total revenue of $6,382.4 million (including unusual revenue of $695.4 million as discussed below), total expenses of $5,968.0 million, total transfers to the Fiscal Stabilization Fund of $405.0 million and a budgetary surplus of $9.4 million. This is estimated to be the seventh consecutive surplus budget for the Province since fiscal year 1995. Net cash provided by operations and investments in fiscal year 2001 is estimated to be $214.5 million.

The 2000-01 Budget is based on a plan for growth and opportunity which includes income tax reform to achieve a competitive tax system, significant tax reductions, new investments in research and development and additional funding for health, education and highways. Major tax initiatives are: the introduction of a new provincial income tax system, beginning January 1, 2001 and to be fully implemented by 2003, based on a three rate tax on income structure rather than the current tax as a percentage of federal income tax; and the broadening of the sales tax base, levied at the lowest rate in Canada, offset by a new sales tax credit for low income individuals and families. Along with funding increases in priority areas such as health, education and highways, the Budget also provides for: a one time $150 million Health Transition Fund; a one time $120 million (over four years) Centenary Fund to address infrastructure needs; and, a new Innovation and Science Fund which will, along with federal and private sector funds, support research and development.

The Budget provides for a one-time drawdown of 100 per cent of the SLGA's estimated retained earnings at March 31, 2000 of $695.4 million. In future, all SLGA net income will flow directly into the General Revenue Fund. The Budget also establishes a new Fiscal Stabilization Fund (the "Fund") to safeguard the fiscal position of the Province from year to year. The target level of the Fund over the long term will be 5 per cent of the prior year's General Revenue Fund revenue and transactions to and from the Fund will be completely transparent. The Fund has been established through legislation with an initial appropriation from the General Revenue Fund of $405.0 million in 2000-01. The level of the Fund will be reduced to approximately $290 million, or 5 per cent of the prior year's projected General Revenue Fund revenue, by 2004.

The Budget also introduced a new four year fiscal plan for the period 2000-01 to 2003-04 highlighted by sustainable budget surpluses and modest debt reduction over the four year period.

The 2001 Budget estimated gross debt at March 31, 2001 to be $11,775.7 million compared to $11,867.9 million at March 31, 2000, a decline of $92.2 million, or 0.8 per cent. General government purpose gross debt was estimated to be $8,116.6 million at March 31, 2001 compared with $7,930.2 million at March 31, 2000, an increase of $186.4 million. The increase in estimated general government purpose gross debt is due to reducing deposits held by the General Revenue Fund on behalf of Crown entities. Crown corporation purpose gross debt was estimated to be $3,659.0 million at March 31, 2001 compared with $3,937.7 million for March 31, 2000, a decrease of $278.7 million.

Guaranteed debt at March 31, 2001 was estimated at $290.3 million, compared to $348.7 million at March 31, 2000. Gross debt plus guaranteed debt less sinking funds at March 31, 2001 was estimated at $11,223.0 million compared to $11,220.0 million at March 31, 2000, an increase of $3.0 million.

The fiscal year 2001 financing requirements were estimated to total $1,650.8 million, of which $428.0 million will be for the purposes of Crown corporations and $1,222.8 million will be for general government purposes. Debt retirement was estimated to amount to $1,775.0 million.

During the period April 1 to October 31, 2000, the Government borrowed $1,355.1 million. On July 15, 2000, the Government issued $491.4 million 5 year, 5 ¾ percent Series 9 Saskatchewan Savings Bonds and redeemed $731.0 million of previous series savings bonds, for a net reduction in savings bonds outstanding of $239.6 million. On June 14, 2000, the Government re-opened its 5 ¾ percent Canadian debenture issue due March 5, 2029 and issued an additional $250.0 million debentures. On September 1, 2000, the Government issued $300.0 million 6.15 per cent Canadian debentures due September 1, 2010. On October 27, 2000, the Government issued $250.0 million 6 per cent Canadian debentures due June 1, 2006. In addition, the Government sold $63.6 million twenty-year debentures to the CPP investment fund over the period.

In October 2000, the Government announced that on December 1, 2000 it will redeem its $122.8 million 13 per cent callable debentures.

Fiscal Year 2001 Mid-Year Forecast

On November 30, 2000, the Minister of Finance released the Mid-Year Financial Report (the "Report")for the fiscal year ending March 31, 2001. The Report forecasts total revenue of $6,828.0 million, total expenses of $6,043.4 million, total transfers to the Fiscal Stabilization Fund of $775.0 million and a budgetary surplus of $9.6 million.

The $445.6 million, or 7.0 per cent, increase in revenue from that estimated in the Budget is due primarily to higher-than-expected oil and natural gas prices. Expenses are forecast to increase by $75.4 million, or 1.3 per cent, from the Budget estimate mainly due to increased spending on highways and health. The amount forecast to be transferred to the Fiscal Stabilization Fund during the year has been increased by $370.0 million to $775.0 million. The Government has committed to use $150 million of the Fiscal Stabilization Fund for transportation network improvements.

The 2001 Mid-Year Financial Report projects gross debt at March 31, 2001 to be $11,580.8 million compared to $11,775.6 million estimated in the Budget, a decline of $194.8 million, or 1.7 per cent. General government purpose gross debt is forecast be to $7,901.4 million at March 31, 2001 compared to an estimated $8116.6 million, a decrease of $215.2 million. Crown corporation gross debt is projected to be $3,679.4 million compared with $3,659.0 million estimated in the Budget, an increase of $20.4 million.

Guaranteed debt at March 31, 2001 is now projected to be $306.0 million, an increase of $15.7 million from $290.3 million estimated in the Budget. Gross debt plus guaranteed debt less sinking funds at March 31, 2001 is forecast to be $11,043.6 million, $179.4 million less than the $11,223.0 million estimated in the Budget.

The fiscal year 2001 financing requirements are projected to be $1,926.7 million, with $422.0 million required for Crown corporations and $1,504.7 million for general government purposes. The increase of $275.9 million over the $1,650.8 million estimated in the Budget is primarily to refinance redeemed Saskatchewan Savings Bonds.

General Revenue Fund Revenue

The General Revenue Fund receives revenue from taxes, non-renewable resources, other provincial sources and other governments.

The following table sets forth General Revenue Fund revenue by major sources for each of the previous five fiscal years ended March 31, 2000, and the Budget Estimate for fiscal year 2001. Also included is the percentage composition of major revenue sources for the Budget Estimate for fiscal year 2001.

General Revenue Fund Revenue[1]

	Fiscal Year Ended March 31						Percentage of Total Revenue
	1996	1997	1998	1999	2000	Budget Estimate 2001	2001
			(Thousands)				
Taxation							
Corporation Capital	$ 221,169	$ 242,304	$ 267,792	$ 232,618	$ 293,351	$ 291,100	4.6 %
Corporation Income	237,830	231,620	217,116	200,079	277,226	297,600	4.7
Individual Income	1,111,444	1,277,191	1,327,582	1,448,043	1,446,169	1247,000	19.5
Sales	778,970	840,962	753,043	742,846	660,314	815,200	12.8
Fuel	340,729	365,452	376,933	354,597	369,010	347,600	5.4
Tobacco	114,181	116,869	123,631	122,681	123,866	124,600	2.0
Other	45,759	47,066	48,526	53,287	52,903	65,700	1.0
Total	2,850,082	3,121,464	3,114,623	3,154,151	3,222,839	3,188,800	50
Non-Renewable Resources							
Oil	447,343	690,720	488,712	304,501	640,097	447,400	7.0
Potash	122,282	87,617	189,487	202,464	169,452	195,200	3.1
Natural Gas	41,337	53,017	44,050	65,944	91,784	66,500	1.0
Other Minerals	62,372	76,290	59,211	49,307	41,817	41,500	0.7
Total	673,334	907,644	781,460	622,216	943,150	750,600	11.8
Transfers from Government Entities and Other Revenues							
Crown Investments Corporation	50,000	50,000	50,000	100,000	125,000	150,000	2.3
Special Dividend	0	365,699	0	100,000	0	0	0.0
Liquor & Gaming Authority[2]	290,000	0	350,000	330,000	0	1,005,800	15.8
Other Enterprises and Funds	9,917	10,238	17,794	21,828	35,516	38,300	0.6
Motor Vehicles Fees	91,763	94,606	98,754	108,076	113,300	112,400	1.8
Sales, Service, and Service Fees	82,147	82,185	88,802	92,030	89,327	71,400	1.1
Licences and Permits	42,025	42,065	37,894	36,789	46,446	41,700	0.6
Other	67,663	68,793	70,017	76,476	72,529	82,200	1.3
Total	633,515	713,586	713,261	865,199	482,118	1,501,800	23.5
Transfers from the Federal Government							
Equalization	215,469	175,915	8,258	441,944	541,598	335,900	5.3
Established Programs Financing	380,704	0	0	0	0	0	0.0
Canada Assistance Plan	249,463	0	0	0	0	0	0.0
Canada Health and Social Transfer[3]	0	485,860	446,361	427,748	556,282	494,600	7.7
Other Federal Payments	129,251	98,770	98,500	91,641	110,945	110,700	1.7
Total	974,887	760,545	553,119	961,333	1,208,825	941,200	14.7
Total General Revenue Fund Revenue[2]	$5,131,818	$ 5,503,239	$5,162,463	$ 5,602,899	$5,856,932	$6,382,400	100.0 %

[1] See "General Revenue Fund - Statement of Revenue, Expenditure and Accumulated Deficit" commencing on page 34.

[2] The amount shown for the 2001 Budget Estimate includes the final transfer of the SLGA retained earnings of $695.4 million into the General Revenue Fund.

[3] The federal government replaced Established Programs Financing and the Canada Assistance Plan with the Canada Health and Social Transfer in fiscal year 1996-97.

Total General Revenue Fund revenue for fiscal year 2000 increased by $254.0 million, or 4.5 per cent, from fiscal year 1999 to $5,856.9 million. Total General Revenue Fund revenue for fiscal year 2001 is estimated at $6,382.4 million, an increase of $525.5 million, or 9.0 per cent, from fiscal year 2000.

Taxation. Provincial taxes include personal and corporate income taxes, corporate capital tax and sales, tobacco, fuel and other taxes. Tax revenue is estimated to total $3,188.8 million, or 50.0 per cent of total General Revenue Fund revenue, for fiscal year 2001, a decrease of $34.0 million, or 1.0 per cent, from fiscal year 2000. This decrease is largely attributable to the personal tax reform announced in the 2000-01 Budget (a $206 million Personal Income Tax reduction, partially offset by a $163 million increase in sales and other taxes.)

Non-Renewable Resources. Non-renewable resource revenue is collected by the Government in respect of the production of crude oil, natural gas, potash, uranium and other minerals. Non-renewable resource revenue is estimated to total $750.6 million, or 11.8 per cent of General Revenue Fund revenue for fiscal year 2001, a decrease of $192.6 million, or 20.4 per cent, from fiscal year 2000. The decrease is due to an anticipated reduction in oil and natural gas revenues associated with lower price forecasts, partly offset by increased potash revenues (higher industry costs for 1999-2000 resulted in significantly lower potash revenues in that year.)

Transfers from Government Entities and Other Revenues. Transfers from Government entities and other revenues include dividends from Provincial Crown Entities, motor vehicle fees, charges for services, licences and permits and others. These revenues of the Province are estimated at $1,501.8 million, or 23.5 per cent of General Revenue Fund revenue, for fiscal year 2001, an increase of $1,019.7 million, or 211.5 per cent, from the prior year. The significant increase reflects the transfer of the SLGA's retained earnings of $695.4 million into the General Revenue Fund in fiscal year 2001 and the SLGA's net income of $310.4 million. (SLGA net income was not taken into revenue in fiscal year 2000.)

Transfers from Crown Entities have been principally from CIC and the SLGA. The timing and level of transfers from CIC, to the extent of available income or surplus, is determined by the Government. The Budget Estimate includes provision for a CIC transfer of $150.0 million in fiscal year 2001 as compared to a $125.0 million dividend in fiscal year 2000. Commencing in fiscal year 2001, General Revenue Fund revenues will include all of the annual SLGA profits. For 2001, this amounts to $310.4 million. As indicated, no SLGA profits were taken into revenue in 2000.

Transfers from the Federal Government. Transfers from the Government of Canada consist of payments made to the Province to assist in financing a number of programs. Transfer payments from the federal government amounted to $1,208.8 million in fiscal year 2000. These transfers are estimated to total $941.2 million in fiscal year 2001, or 14.7 per cent of General Revenue Fund revenue, a decrease of $267.6 million, or 22.1 per cent, from the prior year.

One component of federal transfer payments to Saskatchewan is the equalization payments which are made to those provinces that have a below average capacity to raise revenue based on a five-province formula. Equalization payments received by the Government in fiscal year 2000 totalled $541.6 million and are estimated at $335.9 million for fiscal year 2001. The decrease is due to payments in fiscal year 2000 being higher than they would otherwise have been due to large prior year adjustments and the receipt of a floor payment. In addition, the incorporation of updated resource production data for fiscal year 2001 is expected to result in a lower entitlement for Saskatchewan in 2001. The federal government and the provinces completed a review in fiscal year 1999 of the arrangements under which equalization payments are made by the federal government to the provinces. In February, 1999, the federal government announced a five-year renewal of equalization entitlements to fiscal year 2004, effective April 1, 1999.

Unconditional federal transfer payments made under the Canada Health and Social Transfer ("CHST") arrangements are authorized by the *Federal-Provincial Fiscal Arrangements Act, 1977.* The CHST, which replaced Established Programs Financing ("EPF") and the Canada Assistance Plan ("CAP") in 1996-97, is a federal program that provides "block funding" to all provinces in support of health care, post-secondary education and social assistance. There is no link between provincial expenditures and the CHST. The CHST is estimated to amount to $494.6 million for fiscal year 2001, a decrease of $61.7 million, or 11.1 per cent, from the 2000 amount of $556.3 million. This decrease is due primarily to a one time $117 million addition to the CHST in fiscal year 2000 partly offset by increased CHST entitlements in fiscal year 2001 associated with a higher cash floor ($33.4 million) and the recording of $20.6 million in incremental CHST relating to the CHST Supplement which was announced in the 2000 federal budget.

On September 11, 2000, the federal government announced $21.1 billion of new federal investment over 5 years to the financing of provincial social programs through the CHST, beginning in 2001-02. Saskatchewan's share of this additional CHST is expected to increase from $92.7 million in 2001-02 to $175.0 million by 2005-06.

General Revenue Fund Expenditure

The following table provides a breakdown of the General Revenue Fund budgetary expenditure on government programs and services for the five fiscal years ended March 31, 2000, and includes the Budget Estimate for fiscal year 2001.

General Revenue Fund Expenditure[1]
(unaudited)

	Fiscal Year Ended March 31						Percentage
	1996	1997	1998	1999	2000	Budget Estimate 2001	of Total Expenditure 2001
	(Thousands)						
Agriculture and Food	$ 221,914	$ 325,848	$ 203,819	$ 329,258	$ 337,797	$ 248,748	4.2 %
Municipal Affairs, Culture and Housing	213,984	184,795	181,253	168,248	178,357	180,928	3.0
Education and Post-Secondary Education	884,774	892,304	929,796	998,504	1,031,846	1,082,527	18.1
Finance	168,402	160,432	167,159	180,206	186,139	201,352	3.4
Finance:							
Servicing the Public Debt	848,977	794,150	754,598	744,724	696,089	677,400	11.4
Health	1,556,037	1,609,521	1,677,217	1,774,616	1,955,736	2,127,697	35.6
Highways and Transportation	169,482	170,222	212,888	232,347	235,857	250,044	4.2
Justice	186,172	185,500	197,153	221,470	228,748	220,416	3.7
Environment and Resource Management	162,512	101,924	97,823	165,469	147,392	166,924	2.8
Social Services	519,606	517,761	535,968	569,239	577,886	575,258	9.6
Other Expenditures	181,510	153,832	169,577	190,955	197,606	236,692	4.0
Total	$5,113,370	$5,096,289	$5,127,251	$5,575,036	$5,773,453	$5,967,986	100.0 %

[1] See "General Revenue Fund - Statement of Revenue, Expenditure, and Accumulated Deficit" on page 34.

In fiscal year 2001, 69.4 per cent of the General Revenue Fund estimated expenditure is for transfer payments to individuals (e.g., social assistance) or organizations such as school boards, health boards and municipalities for their operating, pension and capital requirements. A further 2.9 per cent is for pension expenses for government employees and 2.1 per cent for government owned assets and infrastructure (primarily highways). Government operations account for 14.2 per cent of the estimated expenditure while interest on the public debt is estimated at 11.4 per cent. General Revenue Fund expenditure does not include the cost of servicing the debt incurred by the Government on behalf of Crown entities which are responsible for reimbursing the General Revenue Fund.

Agriculture and Food. Agriculture and Food's estimated total expenditure for fiscal year 2001 is $248.7 million compared to the previous year's actual total expenditure of $337.8 million. The $89.1 million (26.4 per cent) decrease in 2001 is mainly attributed to one-time expenditures in 2000 of $80.0 million for the Transportation Cost Adjustment Program and $10.0 million for the Net Income Stabilization Account (NISA) Program. Estimated 2001 expenses include $25.0 million for the first year of a two year property tax rebate program.

Municipal Affairs, Culture and Housing. This department provides financial and direct services to urban, rural and northern municipalities in the Province. The estimated total expenditure for Municipal Affairs, Culture and Housing in fiscal year 2001 is $180.9 million, up $2.6 million, or 1.4 per cent, from fiscal year 1999 actual expenditure. This increase is primarily due to the distribution of increased gaming profits and enhancements to housing programs.

Education and Post-Secondary Education. The combined estimated expenditure for fiscal year 2001 totals $1,082.5 million. This represents an increase of $50.7 million, or 4.9 per cent from the prior year. This variance is primarily due to increased operating grants to school boards ($28.5 million), a 4 per cent increase in funding to all post-secondary institutions ($10.3 million) and an increase in capital funding for universities ($9.0 million).

Finance. Finance's estimated total expenditure for fiscal year 2001 is $201.4 million compared to the previous year's actual total expenditure of $186.1 million. The $15.3 million, or 8.2 per cent, increase is due primarily to increased pension and benefit costs.

Servicing the Public Debt. Expenditure for servicing the public debt is estimated to decrease to $677.4 million in fiscal year 2001 from the actual expenditure of $696.1 million required in fiscal year 2000. The debt servicing expenditure is estimated to account for 11.4 per cent of the total General Revenue Fund expenditure in fiscal year 2001, down from 12.1 per cent in fiscal year 2000.

Health. Saskatchewan Health provides leadership and funding to 32 health districts and other provincial agencies who deliver a broad range of acute, emergency, long-term/supportive care, home and community-based care, prevention and health promotion services. Saskatchewan Health is also responsible for a number of provincial-based programs including physician, prescription drug and laboratory services. Health's estimated operating expenditures for fiscal year 2001 are $1.978 billion. In addition, a one-time $150 million Health Transition Fund has been established to support reforms leading to a sustainable health system. In fiscal year 2000, Health expenditures were $1.956 billion. This included a $50 million one-time expenditure to support Year 2000 readiness.

Highways and Transportation. Highways and Transportation's total estimated expenditure for fiscal year 2001 is $250.0 million, an increase of 6.0 per cent or $14.2 million from the previous year's actual total expenditure of $235.9 million. The increase in funding is to improve road conditions in the Province.

Justice. Justice's estimated total expenditure for fiscal year 2001 is $220.4 million compared to the previous year's actual total expenditure of $228.7 million. Fiscal 2001's budget is $8.3 million less than 2000's actual spending because the operation of land titles was transferred from the Justice department to the newly created Information Services Corporation of Saskatchewan (previously the Saskatchewan Land Information Services Corporation) in 2000-01. Expenditure reductions from this transfer were offset by increases in the Justice budget directed primarily at hiring additional police officers, funding salary increases for the RCMP and the Provincial Court Judges and increasing the allowance for uncollectible fines.

Environment and Resource Management. The department is responsible for the management, enhancement and protection of Saskatchewan's natural and environmental resources. Program responsibilities include: the provincial park system, forest fire suppression, environmental assessment and protection, fisheries and wildlife and forestry. The estimated total expenditure for Environment and Resource Management in fiscal year 2001 is $166.9 million, up $19.5 million, or 13.3 per cent from the previous year's actual expenditure of $147.4 million. The increase is mainly due to the creation of a one-time $50 million Forest Fire Contingency which will provide support in case of an extreme forest fire season.

Social Services. Social Services is comprised of a comprehensive range of programs that include social assistance, child care services, services for persons with disabilities and other community services. In fiscal year 2001, estimated expenditure is $575.3 million, which is a decrease of $2.6 million, or 0.5 per cent from the actual expenditure for fiscal 2000. The decrease is primarily due to the cost of Saskatchewan Child Benefit decreasing as planned, while the federal government makes its promised increases to the National Child Benefit.

Other Expenditures. The other category includes expenditures for economic development, energy and mines and water development among others. It also includes $30 million for the four year, $120 million Centenary Fund which will be allocated for specific infrastructure projects.

Transfers To/From The Fiscal Stabilization Fund

The 2000-01 Budget establishes a new Fiscal Stabilization Fund (the "Fund") to safeguard the fiscal position of the Province from year to year. The target level of the Fund over the long term will be 5 per cent of the prior year's General Revenue Fund revenue and transactions to and from the Fund will be completely transparent. The Fund has been established through legislation with an initial appropriation from the General Revenue Fund of $405.0 million in 2000-01. The level of the Fund is projected to be reduced to approximately $290 million, or 5 per cent of the prior year's projected General Revenue Fund revenue, by 2004.

The following table displays transfers to and from the Fiscal Stabilization Fund for the five fiscal years ended March 31, 2000 and the estimated transfers for fiscal year 2001. Transfers into the fund are shown as a positive number and transfers from the fund are shown as a negative number.

Transfers to/from the Fiscal Stabilization Fund

	Fiscal Year Ended March 31					
	1996	1997	1998	1999	2000	Budget Estimate 2001
			(Thousands)			
Fiscal Stabilization Fund	N/A	N/A	N/A	N/A	N/A	$ 405,000

General Revenue Fund Investing Activities

Investing activities of the General Revenue Fund include loans to and investments in Crown entities, other organizations, individuals and agricultural land held for resale. Cash provided by investing activities for fiscal year 2000 was $87.1 million as compared to $505.8 million provided in fiscal year 1999. Cash provided by investing activities for fiscal year 2001 is estimated at $270.4 million. The changes in both years are related primarily to changes in loans to Crown corporations and in other loans.

Financing and Debt Management

Saskatchewan's financing activities involve the raising of funds through the issue and sale of Province of Saskatchewan securities, changes in deposits held and changes in cash and temporary investments. Funds raised are used to assist in the financing of the capital budgets of, and to provide a temporary credit facility for, Crown corporations as well as for general government purposes (which includes General Revenue Fund Operations and other non-Crown corporation agencies). Crown corporations are responsible for reimbursing the General Revenue Fund for the costs of servicing the interest and principal associated with debt borrowed on their behalf. In addition to direct borrowing in the name of the Province, the Government provides loan guarantees for certain purposes such as bonds issued in the name of Crown corporations that are offered for sale to Saskatchewan residents.

At March 31, 2000, gross debt of the General Revenue Fund amounted to $11,867.9 million as compared to $12,108.3 million at March 31, 1999. Approximately 33 per cent of the gross debt of the General Revenue Fund at March 31, 2000, was reimbursable from and was incurred for Crown corporations. Approximately 67 per cent of the General Revenue Fund gross debt at March 31, 2000, was incurred for general government purposes.

Approximately 81 per cent of the gross debt of the General Revenue Fund was denominated in Canadian dollars while about 19 per cent was denominated in U.S. dollars at March 31, 2000. Included in the debt denominated in Canadian dollars are certain financing transactions that involved borrowing in foreign currencies and swapping or hedging the liability into Canadian dollars to eliminate the foreign exchange rate risk to the General Revenue Fund. (Foreign exchange adjustments resulted in a decrease in Gross Debt of $86.0 million at March 31, 2000, compared to an increase of $161.5 million at March 31, 1999).

Securities issued and sold include Province of Saskatchewan promissory notes and debentures. At March 31, 2000, promissory notes and debentures outstanding were $360.0 million and $11,507.9 million, respectively. Promissory notes and debentures outstanding at March 31, 1999, were $220.0 million and $11,888.3 million, respectively.

During fiscal year 2000, the Government issued and sold $1,203.8 million in debentures and increased promissory notes by $142.4 million for general government purposes. During the same period, the Government redeemed outstanding debentures issued for general government purposes totalling $1,346.5 million.

During the year, $91.7 million in debentures were issued and sold for the purposes of Crown corporations and $236.0 million in promissory notes and debentures issued for Crown corporations were redeemed.

The Government's sinking funds totalled $996.6 million at March 31, 2000. Contributions to the Government's sinking funds amounted to $73.2 million in fiscal year 2000.

The following table sets forth the total debt of the General Revenue Fund (including guarantees) for the five fiscal years ended March 31, 2000.

Total Debt[1]

	At March 31				
	1996	**1997**	**1998**	**1999**	**2000**
			(Thousands)		
Promissory Notes					
(for the purpose of)					
Crown Corporations[2]	$ 256,546	$ 142,833	$ 78,384	$ 59,275	$ 56,922
General Government Purposes[3]	0	45,627	85,176	160,725	303,078
Total[4]	256,546	188,460	163,560	220,000	360,000
Debentures					
(for the purpose of)					
Crown Corporations[2]	5,074,574	4,618,770	4,416,136	4,054,992	3,880,826
General Government Purposes[3,4]	8,707,361	8,248,873	8,049,299	7,833,320	7,627,072
Total	13,781,935	12,867,643	12,465,435	11,888,312	11,507,898
Gross Debt	14,038,481	13,056,103	12,628,995	12,108,312	11,867,898
Less: Equity in Sinking Funds					
(for the purpose of)					
Crown Corporations	373,530	573,067	812,775	686,251	594,097
General Government Purposes[3]	141,807	197,115	262,474	339,754	402,480
Total	515,337	770,182	1,075,249	1,026,005	996,577
	13,523,144	12,285,921	11,553,746	11,082,307	10,871,321
Guaranteed Debt	663,220	576,683	496,087	426,818	348,715
Total Debt	$14,186,364	$12,862,604	$12,049,833	$11,509,125	$11,220,036

[1] Debt repayable in foreign currency has been restated in Canadian dollar equivalents based on the exchange rate in effect on March 31 of each year.

[2] These enterprises are responsible for reimbursing the General Revenue Fund for the repayment of principal and interest.

[3] Debt for General Government Purposes is incurred for the general purposes of, and is repayable out of, the General Revenue Fund.

[4] Debentures for the purposes of Investment in Agricultural Land, Federal/Municipal, Union Hospital Debt and University of Saskatchewan are included in debentures for General Government Purposes rather than in the Other category shown in previous years. Prior years figures have been restated accordingly.

The following table sets forth the allocation of gross debt of the General Revenue Fund for the five fiscal years ended March 31, 2000.

Gross Debt by Allocation[1]

	At March 31				
	1996	1997	1998	1999	2000
			(Thousands)		
Crown Corporations					
Agricultural Credit Corporation of Saskatchewan	$ 292,756	$ 270,208	$ 270,208	$ 235,551	$ 235,551
Crown Investments Corporation of Saskatchewan	793,434	758,434	669,602	301,195	276,195
Municipal Financing Corporation of Saskatchewan	79,667	79,667	79,667	79,667	87,491
Saskatchewan Crop Insurance Corporation	164,656	0	0	0	0
Saskatchewan Housing Corporation	287,304	263,819	202,818	178,845	174,373
Saskatchewan Land Information Services	0	0	0	0	6,930
Saskatchewan Opportunities Corporation	53,726	68,433	88,684	103,495	126,706
Saskatchewan Power Corporation	2,352,762	2,109,078	1,976,737	1,938,900	1,775,707
Saskatchewan Telecommunications	538,736	436,584	432,361	486,921	449,155
Saskatchewan Water Corporation	22,830	42,830	41,293	51,643	58,790
SaskEnergy Incorporated	745,249	732,550	733,150	738,050	746,850
Total Crown Corporations	5,331,120	4,761,603	4,494,520	4,114,267	3,937,748
General Government Purposes[2,3]	8,707,361	8,294,500	8,134,475	7,994,045	7,930,150
Gross Debt	$14,038,481	$13,056,103	$12,628,995	$12,108,312	$11,867,898

[1] Debt repayable in foreign currency has been restated in Canadian dollar equivalents based on the exchange rate in effect on March 31 of each year.

[2] Debt for General Government Purposes is incurred for the general purposes of, and is repayable out of, the General Revenue Fund.

[3] Debentures for the purposes of Investment in Agricultural Land, Federal/Municipal, Union Hospital Debt and University of Saskatchewan are included in debentures for General Government Purposes rather than in the Other category shown in previous years. Prior years figures have been restated accordingly.

The following table sets forth the composition of debentures issued and redeemed by the General Revenue Fund for the five fiscal years ended March 31, 2000.

Composition of Debentures Issued and Redeemed[1]
(unaudited)

	Fiscal Year Ended March 31				
	1996	1997	1998	1999	2000
			(Millions)		
Total Debentures Issued	$ 897.6	$ 465.8	$ 486.2	$ 618.1	$ 1,295.4
Total Debentures Redeemed	851.0	1,417.1	944.5	1,356.4	1,580.1
Increase (Decrease) in Debentures	$ 46.6	$ (951.3)	$ (458.3)	$ (738.3)	$ (284.7)

[1] All foreign currency debt has been stated in the equivalent Canadian funds based on the exchange rate in effect on March 31 of each year.

The following table sets forth the composition of outstanding debentures of the General Revenue Fund for the five fiscal years ended March 31, 2000.

Composition of Debentures Outstanding[1]

	Fiscal Year Ended March 31				
	1996	1997	1998	1999	2000
			(Millions)		
Debentures Outstanding					
To the Public	$ 12,192.6	$ 11,344.2	$ 11,011.3	$ 10,511.1	$ 10,166.9
To the Canada Pension Plan	1,587.5	1,522.1	1,452.8	1,376.8	1,340.8
Other Obligations	1.8	1.3	1.3	0.4	0.2
Total	$ 13,781.9	$ 12,867.6	$ 12,465.4	$ 11,888.3	$ 11,507.9

[1] All foreign currency debt has been stated in the equivalent Canadian funds based on the exchange rate in effect on March 31 of each year.

The Canada Pension Plan ("CPP") obtains monies from a compulsory national pension plan in which all provinces, except Quebec, participate. Prior to January 1, 1998, surplus contributions to the CPP were invested in non-marketable securities issued by participating provinces, provincially guaranteed Crown corporations and the federal government. The rate of interest charged by the CPP was generally lower than the rate available to the Saskatchewan government in the public market for debt of comparable maturity as CPP rates were based on the federal government long term, public market borrowing costs.

In 1997, the federal government passed legislation which took effect January 1, 1998 and changed the nature of CPP borrowing. The legislation specifies that surplus CPP funds must be invested in a diversified portfolio of securities, at arm's length from government. While provinces continue to have access to CPP funds, they are now required to pay rates comparable to their own cost of borrowing, rather than the federal long term rate.

The amount of loan capital available to a province continues to be based on the proportion of total contributions from that province. Provincial securities sold to the CPP remain payable 20 years after their respective dates of issue, are not negotiable, transferable or assignable, but may be redeemable in whole or in part, before maturity, under certain circumstances.

Between fiscal years 1994 and 1998, no surplus funds were available for loan from the CPP to the Government of Saskatchewan.

"Other Obligations" represent monies loaned by the federal government to the Government on the condition that the money would be reloaned to Saskatchewan municipalities under the identical terms and conditions. The Government, therefore, owns securities issued by Saskatchewan municipalities that match the obligations to the federal government.

The following table summarizes various Provincial Government debt indicators at year end for the five fiscal years ended March 31, 2000.

Debt Indicators
(unaudited)

	At March 31				
	1996	1997	1998	1999	2000
Total Debt of the General Revenue Fund					
Per Capita[1]	$ 13,922	$ 12,586	$ 11,756	$ 11,217	$ 10,957
As a Percentage of Saskatchewan Gross Domestic Product[2]	53.7 %	45.1 %	41.6 %	41.0 %	38.0 %
Gross Debt of the General Revenue Fund - General Government Purpose Portion[3]					
Per Capita[1]	$ 8,545	$ 8,116	$ 7,936	$ 7,791	$ 7,744
As a Percentage of General Revenue Fund Revenue	169.7 %	150.7 %	157.6 %	142.7 %	135.4 %
As a Percentage of Saskatchewan Gross Domestic Product[2]	33.0 %	29.1 %	28.1 %	28.5 %	26.9 %
Annual Interest Payments on the General Revenue Fund Operations Portion of Gross Debt of the General Revenue Fund					
As a Percentage of General Revenue Fund Revenue	16.5 %	14.4 %	14.6 %	13.3 %	11.9 %

[1] Total debt and gross debt per capita for 1996 through 2000 is calculated by dividing the debt at March 31 by the population of the Province on July 1 of the same calendar year.

[2] Total debt and gross debt as a percentage of Saskatchewan's GDP is calculated by dividing the debt at March 31 by the Province's current GDP for the previous calendar year.

[3] Gross debt of the General Revenue Fund - General Government Purpose Portion does not include debt incurred by the General Revenue Fund on behalf of Crown entities for which the Crown entities are responsible for reimbursing the General Revenue Fund.

The following table sets forth the debt maturity schedule, by principal amount and currency of payment, of the General Revenue Fund gross debt at March 31, 2000.

Debt Maturity Schedule

Fiscal Year ending March 31	Canadian Dollar Debt	U.S. Dollar Debt (Canadian Dollars)[1] (Thousands)	Total (Canadian Dollars)
2001	$ 1,651.0	$ —	$ 1,651.0
2002	862.1	—	862.1
2003	772.3	—	772.3
2004	499.4	72.7	572.1
2005	1,722.5	—	1,722.5
1 - 5 years	$ 5,507.3	$ 72.7	$ 5,580.0
2006-2010	2,349.3	282.0	2,631.3
2011-2015	1,127.1	726.7	1,853.8
2016-2020	50.0	—	50.0
2021-2025	255.0	1,162.8	1,417.8
2026-2030	335.0	—	335.0
1 - 30 years	$ 9,623.7	$ 2,244.2	$ 11,867.9

[1] Debentures denominated in foreign currencies have been converted to Canadian dollars at the exchange rate in effect at March 31, 2000. (U.S. dollars - $1.4535)

The following table sets forth the General Revenue Fund debt characteristics at March 31, 2000.

Debt Characteristics
(unaudited)

	As a Percentage of Total	Weighted Average Term To Maturity[1] (years)	Weighted Average Interest Rate[1]
Public Debentures[2]	85.7 %	8.82	8.04 %
Canada Pension Plan Debentures	11.3 %	6.46	11.35 %
Promissory Notes	3.0 %	0.08	5.12 %
Gross Debt	100.0 %	8.29 yrs.	8.33 %

[1] Weighted by the total principal amount of each loan issue.
[2] Includes other debentures.

Interest on the General Revenue Fund debt amounted to $1,064.3 million in fiscal year 2000. Of this amount, $381.3 million ($3.5 million short term and $377.8 million long term) was reimbursed by the Crown corporations. The non-reimbursable portion of gross interest expense was $683.0 million.

Debt guaranteed by the General Revenue Fund amounted to $348.7 million at March 31, 2000, compared to $426.8 million at March 31, 1999. This decrease in the level of guaranteed debt was due primarily to a decrease of $31.4 million in NewGrade Energy Inc. ("NewGrade") guaranteed debt outstanding due to debt reduction ($150.1 million debt outstanding at March 31, 1999) and a decrease of $41.0 million in Saskferco Products Inc. ("Saskferco") guaranteed debt outstanding due primarily to debt reduction ($191.6 million debt outstanding at March 31, 1999).

The following table sets forth this guaranteed debt for the five fiscal years ended March 31, 2000.

Guaranteed Debt

	At March 31				
	1996	1997	1998	1999	2000
			(Millions)		
Guaranteed Debt	$ 663.2	$ 576.7	$ 496.1	$ 426.8	$ 348.7

Guaranteed debt is reported net of loss provisions (2000 - $0.8 million; 1999 - $0.3 million; 1998 - $0.6 million; 1997 - $4.6 million; 1996 - $6.1 million).

The major decreases in guaranteed debt between March 31, 1996, and March 31, 2000, are due to the maturity of Telebonds ($34.7 million), the reduction of guarantees under *The Farm Financial Stability Act* ($15.9 million), the financial restructuring of, and subsequent debt reduction by, NewGrade ($93.6 million) and the reduction of Saskferco debt ($142.0 million).

Authority for the Government to guarantee the debt of others must be provided in specific legislation since no general statutory authority exists. *The Financial Administration Act, 1993* provides that no department, board, commission or agent of the Government shall provide a guarantee or a program of guarantees of loans or other liabilities by which guarantee or program of guarantees the Government of Saskatchewan would be liable to make any payment with respect to the loans or liabilities, unless the guarantee or program of guarantees, as the case may be, has received the prior approval of the Minister of Finance. Certain Crown corporations located within the Province are separately authorized to provide guarantees of the debt of others. Such guarantees are not contingent liabilities of the General Revenue Fund, and the amounts so guaranteed are not included in the above table or in the financial statements of the General Revenue Fund.

The Government of Saskatchewan provided Royal Trust with a guarantee and indemnity in 1983 respecting the liability and obligations of CIC MIC pursuant to each of two lease agreements of CIC Mining Corporation (previously the Potash Corporation of Saskatchewan Mining Limited) for the purchase of mining equipment. The Government has been released from all such guarantees but remains contingently liable for indemnity related to damages caused by the equipment and provisions governing the payment of taxes for the period during which its guarantees to Royal Trust were in place.

Debt Record

The Government has always paid the full face amount of the principal of and interest on every direct obligation issued by it and every indirect obligation on which it has been required to meet its guarantee, all promptly when due in the lawful currency of the country where payable at the time of payment thereof, subject during wartime to any applicable laws and regulations forbidding trading with the enemy.

Other Public Sector Debt

The General Revenue Fund financial statements do not disclose the debt of all public entities located within the Province. Responsibility for a variety of provincial functions and powers has been transferred to local government bodies, including district health boards, municipalities, school boards and certain other local authorities. District health boards may raise money for their purposes through certain service charges. The boards have power to borrow money up to a prescribed amount above which the approval of the Minister of Health is required. Other local bodies raise money for their purposes, in the case of municipalities by way of direct levy on persons or property within their jurisdiction or, in other cases, by requisition on municipalities, and may have power to borrow money, subject to the approval of the Saskatchewan Municipal Board. The Saskatchewan Municipal Board is an autonomous regulatory body established by Provincial statute with broad powers to regulate local government activity.

Notwithstanding that significant financial assistance for operating and capital expenditures is made available to local government bodies by appropriation of the Legislative Assembly, the activities of local government bodies, including borrowing, are conducted independently of the Government. The Government is not directly or contingently liable for debt incurred by these bodies (with the exception of certain debt of certain district health boards), and, relative to the gross debt of the General Revenue Fund and the GDP of the Province, debt incurred by these bodies is not significant.

GENERAL REVENUE FUND SUPPLEMENTARY FINANCIAL INFORMATION

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The information contained in the following tables and notes, except for information marked as unaudited, has been derived from the financial statements of the General Revenue Fund, which have been examined by the Provincial Auditor for the five years ended March 31, 2000.

Government of the Province of Saskatchewan

General Revenue Fund Statement of Financial Assets, Liabilities and Accumulated Deficit [1-5]

	At March 31				
	1996	1997	1998	1999	2000
			(Thousands)		
Financial Assets					
Cash and temporary investments	$ 77,442	$ 337,688	$ 256,260	$ 335,048	$ 452,222
Prepaid expenditures	3,433	2,080	2,096	2,046	2,185
Accounts receivable	436,703	368,109	303,108	304,167	395,342
Agricultural land held for resale	120,300	118,231	117,044	115,509	113,940
Deferred charges	64,075	57,679	46,915	36,074	33,251
Deferred foreign exchange loss	83,024	110,696	139,849	217,824	162,074
Loans to Crown corporations	4,937,731	4,188,536	3,681,745	3,428,016	3,343,651
Other loans	193,597	181,501	48,254	30,894	35,062
Equity investment in Crown Investments Corporation of Saskatchewan	1,447,452	1,447,452	1,447,452	1,362,452	1,362,452
Total Financial Assets	7,363,757	6,811,972	6,042,723	5,832,030	5,900,179
Liabilities					
Accounts payable and accrued liabilities	1,085,856	1,016,771	926,509	919,148	784,249
Deposits held	317,740	659,590	671,243	912,071	1,242,391
Unearned revenue	59,070	64,793	71,116	70,533	70,768
Debt (net of sinking fund equity)	13,523,144	12,285,921	11,553,746	11,082,307	10,871,321
Total Liabilities	14,985,810	14,027,075	13,222,614	12,984,059	12,968,729
Accumulated Deficit	$ (7,622,053)	$ (7,215,103)	$ (7,179,891)	$ (7,152,029)	$ (7,068,550)

[1] The Government also prepares summary financial statements. The Government's summary financial statements provide a full accounting of the financial affairs and resources of all entities for which the Government is responsible. The financial transactions of the General Revenue Fund and provincial Crown corporations, agencies, boards, and commissions are included in the Government's summary financial statements. The Government's summary financial statements are included in this document commencing at page 60.

[2] In his opinion on the 1996, 1997, 1998, 1999 and 2000 General Revenue Fund financial statements, the Provincial Auditor directs the reader to refer to the Government's summary financial statements to understand and assess the Government's management of public financial affairs and resources as a whole.

[3] The General Revenue Fund's financial statements for 1996, 1997 and 1998 are accompanied by a report of the Provincial Auditor which provides that, except for the effects of the failure to record pension liabilities, the financial statements present fairly, in all material respects, the financial position of the General Revenue Fund as at March 31. Had pension liabilities been recorded, the effect on liabilities and accumulated deficit, and expenditures and surplus is:

	(millions)		
	1996	1997	1998
Increase in liabilities and accumulated deficit	$ 3,428	$ 3,530	$ 3,672
Increase in expenditures and decrease in surplus	$ 108	$ 102	$ 142

[4] The General Revenue Fund's financial statements for 1999 are accompanied by a report of the Provincial Auditor which provides that, except for the effects of the following reservations, the financial statements present fairly, in all material respects, the financial position of the General Revenue Fund as at March 31, 1999:

a. It is the auditor's opinion that pension liabilities should be recorded in the financial statements. Had pension liabilities been recorded, liabilities and accumulated deficit would increase by $3,749.0 million and expenditure would increase and surplus for the year would decrease by $77.0 million.

b. The Fund has recorded the entire estimated cost of a two year agricultural income disaster assistance program as an expenditure for the year ended March 31, 1999. It is the auditor's opinion that the Fund should only record the estimated cost of the program for the 1998 calendar year. Had the Fund recorded this amount, the financial assets and surplus for the year would increase by $70.0 million and expenditure and accumulated deficit would decrease by $70.0 million.

[5] The General Revenue Fund's financial statements for 2000 are accompanied by a report of the Provincial Auditor which provides that, except for the effects of the following reservations, the financial statements present fairly, in all material respects, the financial position of the General Revenue Fund as at March 31, 2000:

a. It is the auditor's opinion that pension liabilities should be recorded in the financial statements. Had pension liabilities been recorded, liabilities and accumulated deficit would increase by $3,801 million and expenditure would increase and surplus for the year would decrease by $52 million.

b. The estimated total cost for an agricultural disaster assistance program for the 1998 and 1999 calendar years is $175 million. The Fund recorded $35 million (1999 - $140 million) as an expenditure for the year ended March 31, 2000. It is the auditor's opinion that the Fund should have recorded $105 million (1999 - $70 million) as an expenditure for the year ended March 31, 2000. Had the Fund recorded this amount, the surplus for the year would decrease by $70 million and expenditure would increase by $70 million.

(see accompanying notes)

Government of the Province of Saskatchewan

General Revenue Fund Statement of Revenue, Expenditure and Accumulated Deficit[1]

	For the Year Ended March 31				
	1996	1997	1998	1999	2000
			(Thousands)		
Revenue					
Taxation					
Corporation capital	$ 221,169	$ 242,304	$ 267,792	$ 232,618	$ 293,351
Corporation income	237,830	231,620	217,116	200,079	277,226
Fuel	340,729	365,452	376,933	354,597	369,010
Individual income	1,111,444	1,277,191	1,327,582	1,448,043	1,446,169
Sales	778,970	840,962	753,043	742,846	660,314
Tobacco	114,181	116,869	123,631	122,681	123,866
Other	45,759	47,066	48,526	53,287	52,903
Total Taxes	2,850,082	3,121,464	3,114,623	3,154,151	3,222,839
Non-renewable Resources					
Natural gas	41,337	53,017	44,050	65,944	91,784
Oil	447,343	690,720	488,712	304,501	640,097
Potash	122,282	87,617	189,487	202,464	169,452
Other	62,372	76,290	59,211	49,307	41,817
Total Non-renewable Resources	673,334	907,644	781,460	622,216	943,150
Transfers from Government Entities					
Crown Investments Corporation of Saskatchewan	50,000	50,000	50,000	100,000	125,000
- Special Dividend	0	365,699	0	100,000	0
Liquor and Gaming Authority	290,000	0	350,000	330,000	0
Other enterprises and funds	9,917	10,238	17,794	21,828	35,516
Total Transfers from Government Entities	349,917	425,937	417,794	551,828	160,516
Other Own-source Revenue					
Fines, forfeits and penalties	11,337	11,072	12,658	12,803	11,701
Interest, premium, discount, and exchange	24,184	22,065	30,986	35,381	34,914
Motor vehicle fees	91,763	94,606	98,754	108,076	113,300
Other licences and permits	42,025	42,065	37,894	36,789	46,446
Sales, services, and service fees	82,147	82,185	88,802	92,030	89,327
Transfers from other governments	9,416	8,622	5,798	8,942	12,077
Other	22,726	27,034	20,575	19,350	13,837
Total Other Own-source Revenue	283,598	287,649	295,467	313,371	321,602
Total Own-source Revenue	4,156,931	4,742,694	4,609,344	4,641,566	4,648,107
Transfers from the Federal Government					
Canada Health and Social Transfer*	0	485,860	446,361	427,748	556,282
Canada Assistance Plan*	249,463	0	0	0	0
Equalization	215,469	175,915	8,258	441,944	541,598
Established Programs Financing*	380,704	0	0	0	0
Other	129,251	98,770	98,500	91,641	110,945
Total Transfers from the Federal Government	974,887	760,545	553,119	961,333	1,208,825
Total Revenue	$ 5,131,818	$ 5,503,239	$ 5,162,463	$ 5,602,899	$ 5,856,932

* The Federal Government replaced the Canada Assistance Plan and the Established Programs Financing with the Canada Health and Social Transfer in 1996-97.

(see accompanying notes)

Government of the Province of Saskatchewan

General Revenue Fund Statement of Revenue, Expenditure and Accumulated Deficit (concluded)

	For the Year Ended March 31				
	1996	1997	1998	1999	2000
			(Thousands)		
Expenditure					
Executive Branch of Government					
Agriculture and Food	$ 222,262	$ 326,148	$ 203,819	$ 329,258	$ 337,797
Economic and Co-operative Development	46,973	38,862	43,160	47,186	45,655
Education	868,988	541,317	543,663	559,420	568,596
Energy and Mines	25,199	14,881	16,100	17,617	17,332
Environment and Resource Management	162,512	101,924	97,823	165,469	147,392
Executive Council	13,080	7,284	7,394	6,840	7,136
Finance	169,034	160,432	167,159	180,206	186,139
Health	1,554,812	1,608,005	1,677,217	1,774,616	1,955,736
Highways and Transportation	169,482	170,222	212,888	232,347	235,857
Indian and Metis Affairs Secretariat	25,419	25,664	26,086	0	0
Intergovernmental and Aboriginal Affairs	8,054	3,886	4,919	33,474	29,153
Justice	177,670	185,425	197,078	221,470	228,748
Labour	10,026	8,982	9,226	10,803	11,151
Municipal Affairs, Culture and Housing	192,442	185,179	181,647	168,248	178,357
New Careers Corporation	9,545	0	0	0	0
Post-Secondary Education and Skills Training	0	344,844	386,133	439,084	463,250
Public Service Commission	6,826	7,225	8,255	8,918	8,570
Saskatchewan Infrastructure Program	21,167	0	0	0	0
Saskatchewan Municipal Board	776	917	964	1,057	988
Saskatchewan Property Management Corporation	9,548	10,554	18,854	28,104	34,851
Saskatchewan Research Council	7,886	9,529	7,956	7,956	8,012
Saskatchewan Water Corporation	7,011	4,956	4,888	4,896	4,893
Social Services	535,615	525,420	535,968	569,239	577,886
Women's Secretariat	931	901	1,385	1,521	1,193
Legislative Branch of Government					
Chief Electoral Officer	0	0	0	915	6,757
Conflict of Interest Commissioner	0	0	0	0	79
Information and Privacy Commissioner	0	0	0	0	55
Legislative Assembly	14,758	15,294	15,851	17,355	15,070
Ombudsman and Children's Advocate	0	0	0	0	2,269
Provincial Auditor	4,377	4,288	4,220	4,314	4,442
Operating Expenditures	4,264,393	4,302,139	4,372,653	4,830,313	5,077,364
Finance - Servicing the Debt	848,977	794,150	754,598	744,724	696,089
Total Expenditure	$5,113,370	$5,096,289	$5,127,251	$5,575,037	$5,773,453
Surplus for the Year	$ 18,448	$ 406,950	$ 35,212	$ 27,862	$ 83,479
Accumulated Deficit, Beginning of Year	(7,640,501)	(7,622,053)	(7,215,103)	(7,179,891)	(7,152,029)
Accumulated Deficit, End of Year	$7,622,053)	$7,215,103)	$7,179,891)	$7,152,029)	$7,068,550)

[1] See Notes 1-5 on page 33.

(see accompanying notes)

Government of the Province of Saskatchewan

General Revenue Fund Statement of Investing Activities [1]

	For the Year Ended March 31				
	1996	1997	1998	1999	2000
			(Thousands)		
Receipts					
Loans					
Agricultural Credit Corporation of Saskatchewan	$ 116,497	$ 22,548	$ 0	$ 34,657	$ 0
Crown Investments Corporation of Saskatchewan	265,052	35,000	88,832	368,407	25,000
Saskatchewan Crop Insurance Corporation	29,836	176,114	0	0	0
Saskatchewan Gaming Corporation	797	0	0	0	0
Saskatchewan Housing Corporation	0	23,485	61,001	30,473	46,140
Saskatchewan Opportunities Corporation	0	0	24,749	189	26,789
Saskatchewan Power Corporation	67,338	256,956	152,335	95,156	128,715
Saskatchewan Telecommunications Holding Corporation	66,576	104,262	22,153	64,700	33,196
Saskatchewan Water Corporation	0	0	1,537	530	559
SaskEnergy Incorporated	72,050	50,000	54,400	50,000	0
Other	33,406	70,139	148,961	35,849	10,507
Total Loan Receipts	651,552	738,504	553,968	679,961	270,906
Sinking Funds					
Contributions from Crown Corporations made to sinking funds	17,742	267,461	234,667	234,964	27,430
Debt redemption funded from sinking funds	8,568	0	0	0	0
Total Sinking Fund Receipts	26,310	267,461	234,667	234,964	27,430
Other Investing Activities					
Equity Investment in Crown Investments Corporation of Saskatchewan	0	0	0	85,000	0
Other	1,719	2,035	956	1,485	1,488
Total Other Investing Activities	1,719	2,035	956	86,485	1,488
Total Receipts	$ 679,581	$ 1,008,000	$ 789,591	$ 1,001,410	$ 299,824

(see accompanying notes)

Government of the Province of Saskatchewan

General Revenue Fund Statement of Investing Activities (concluded)

	For the Year Ended March 31				
	1996	1997	1998	1999	2000
			(Thousands)		
Disbursements					
Loans					
Agricultural Credit Corporation of Saskatchewan	$ 30,000	$ 0	$ 0	$ 0	$ 0
Crown Investments Corporation of Saskatchewan	100,000	0	0	0	0
Municipal Financing Corporation of Saskatchewan	0	0	0	0	7,824
Saskatchewan Housing Corporation	0	0	0	6,500	41,668
Saskatchewan Crop Insurance Corporation	25,467	31,317	0	0	0
Saskatchewan Land Services Corporation	0	0	0	0	6,930
Saskatchewan Opportunities Corporation	49,034	14,707	45,000	15,000	50,000
Saskatchewan Power Corporation	100,000	0	0	0	0
Saskatchewan Telecommunications Holding Corporation	12,375	0	14,700	110,000	1,000
Saskatchewan Water Corporation	6,800	20,000	0	10,880	7,706
SaskEnergy Incorporated	150,000	37,300	55,000	54,900	8,800
Other	113,594	58,476	16,014	20,836	15,538
Total Loan Disbursements	587,270	161,800	130,714	218,116	139,466
Sinking Funds' Contributions	56,245	307,825	275,932	277,395	73,157
Other Investing Activities	14	45	26	54	65
Total Disbursements	$ 643,529	$ 469,670	$ 406,672	$ 495,565	$ 212,688
Net Receipts	$ 36,052	$ 538,330	$ 382,919	$ 505,845	$ 87,136

[1] See Notes 1-5 on page 33.

(see accompanying notes)

Government of the Province of Saskatchewan

General Revenue Fund *Statement of Operating, Investing, and Financing* Activities[1]

	For the Year Ended March 31				
	1996	1997	1998	1999	2000
			(Thousands)		
Operating Activities					
Surplus for the year	$ 18,448	$ 406,950	$ 35,212	$ 27,862	$ 83,479
Add (deduct) non-cash items					
Amortization of foreign exchange gains and losses	(7,196)	(6,044)	3,954	9,173	5,973
Loss on loans and investments	1,278	436	524	2,148	1,009
Net change in non-cash operating activities	44,619	13,055	(8,305)	1,877	(223,155)
Earnings retained in sinking funds	(10,226)	(14,944)	(24,094)	(27,082)	(22,955)
Cash Provided by (Used for) Operating Activities	46,923	399,453	7,291	13,978	(155,649)
Investing Activities					
Loan Advances	(587,270)	(161,800)	(130,714)	(218,116)	(139,466)
Loan Repayments	651,552	738,504	553,968	679,961	270,906
Sinking funds' contributions received from Crown corporations	17,742	267,461	234,667	234,964	27,430
Contributions made to sinking funds	(56,245)	(307,825)	(275,932)	(277,395)	(73,157)
Debt redemptions funded from sinking funds	8,568	0	0	0	0
Other	1,705	1,990	930	86,431	1,423
Cash Provided by Investing Activities	36,052	538,330	382,919	505,845	87,136
Financing Activities					
Proceeds from debt	1,069,125	465,817	486,153	674,517	1,435,488
Repayment of debt	(851,008)	(1,485,204)	(969,444)	(1,356,380)	(1,580,121)
Increase (decrease) in deposits held	(273,780)	341,850	11,653	240,828	330,320
Cash Provided by (Used for) Financing Activities	(55,663)	(677,537)	(471,638)	(441,035)	185,687
Increase (Decrease) in Cash and Temporary investments	27,312	260,246	(81,428)	78,788	117,174
Cash and temporary investments beginning of year	50,130	77,442	337,688	256,260	335,048
Cash and Temporary Investments, End of Year	$ 77,442	$ 337,688	$ 256,260	$ 335,048	$ 452,222

[1] See Notes 1-5 on page 33.

(see accompanying notes)

Government of the Province of Saskatchewan
General Revenue Fund Notes to the Financial Statements
For the Year Ended March 31, 2000

1. Significant Accounting Policies

These financial statements are prepared using accounting principles appropriate for the public sector and reflect the following significant accounting policies:

(a) Reporting Entity

The General Revenue Fund is the general fund which receives all revenues unless otherwise specified by law. Spending from the General Revenue Fund is appropriated by the Legislative Assembly.

Other government entities such as special purpose funds, Crown corporations, and other agencies, report separately in other financial statements. Only financial transactions to or from these other entities are included in the General Revenue Fund. The net expenditures/recoveries for revolving funds' operations are charged to expenditure.

The Government's summary financial statements which include the financial activities of the General Revenue Fund and other government entities are provided separately.

(b) Basis of Accounting

The accrual basis of accounting is used and specifically expressed as follows:

Revenue

Except for corporate and personal income taxes which are recorded when received from the federal government, revenues are recorded on the accrual basis.

Expenditure

Expenditures are recorded on the accrual basis except for pension costs which are recorded on the cash basis, and include the cost of tangible capital assets and inventories received during the year.

Assets

Financial assets are those assets on hand at the end of an accounting period which could provide resources to discharge existing liabilities or finance future operations.

Temporary investments are recorded at the lower of cost or market.

Agricultural land held for resale is valued at the lower of cost or net realizable value, on an aggregate basis.

Deferred charges include issue costs and net discounts or premiums incurred on the issue of long term debt. They are recorded at cost and amortized on a straight line basis over the remaining life of the debt issue.

Deferred foreign exchange loss includes unrealized foreign exchange gains and losses resulting from conversion of debt and sinking funds' investments held for general government purposes in a foreign currency, to the Canadian dollar equivalent at March 31. Unrealized foreign exchange gains and losses are amortized on a straight line basis over the remaining life of the debt issue. Realized foreign exchange gains or losses, resulting from transactions for general government purposes, are included in servicing the debt.

Loans to Crown corporations and *Other loans* generally have fixed repayment terms and are interest bearing. Short term loans to Crown corporations are recorded at par; all other loans are recorded at cost. Interest received on these loans is netted against interest paid on money borrowed for these loans.

Equity investment in Crown Investments Corporation of Saskatchewan is an advance to the corporation to form its equity capitalization and is recorded at cost.

Where there has been a loss in value that is other than a temporary decline, loans and equity investments are written down to recognize the loss.

Tangible capital assets and *inventories*, except for agricultural land held for resale, are recorded as an expenditure in the period acquired.

Liabilities

Reported liabilities include obligations to outside organizations and individuals as a result of transactions and events occurring prior to year end. They are the result of financial obligations to repay borrowings or to pay for goods and services acquired prior to year end, and of revenue, received or receivable, where goods or services will be delivered in the future.

Unearned revenue consists mainly of revenue for Crown mineral leases and motor vehicle fees that will be earned in a subsequent fiscal year.

Debt is issued for general government purposes and for Crown corporations. All debt is recorded at par.

Premiums, discounts, and issue costs incurred on debt issued for general government purposes are recorded as deferred charges and amortized on a straight line basis over the remaining life of the debt issue.

Certain debenture issues require contributions to a sinking fund. These obligations are recorded at principal less sinking fund balances where applicable. The General Revenue Fund is reimbursed by Crown corporations for all sinking fund contributions made on debt incurred on their behalf. Premiums and discounts on long term investments within the sinking fund are amortized by the type of security on a constant yield basis.

Debt issues and sinking funds' investments held in foreign currencies are converted to the Canadian dollar equivalent at the exchange rate in effect at March 31.

Interest, discounts, premiums and commissions on money borrowed for Crown corporations and others are netted against reimbursements by these entities.

Pension liabilities are not recorded in the financial statements. The General Revenue Fund accounts for pension payments on a cash basis.

Guaranteed debt includes guarantees of the Government made through specific agreements or legislation to repay promissory notes, bank loans, lines of credit, mortgages and other securities. Loss provisions on guaranteed debt are recorded when it is likely that a loss will occur. The amount of the loss provision represents the Government's best estimate of future payments less recoveries. The loss provision is recorded as a liability and an expenditure in the year determined and is adjusted as necessary to ensure it equals the expected payout of the guarantee.

2. Measurement Uncertainty

Uncertainty in the determination of the amount at which an item is recognized in financial statements is known as measurement uncertainty. Such uncertainty exists when there is a variance between the recognized amount and another reasonably possible amount.

Measurement uncertainty exists in these financial statements in the accrual of non-renewable resource royalties, and the federal government's Equalization and the Canada Health and Social Transfer. The uncertainty arises from factors such as price and production sensitivities in the royalty structures, and the effect on transfers from the federal government of changes in economic and demographic conditions in the Province and the country. Management considers that it is reasonably possible that changes in future conditions in the near term could require a material change in the amounts recognized. Near term is defined as a period of time not to exceed one year from the date of the financial statements.

3. Cash and Temporary Investments

The market value of cash and temporary investments is $452.6 million (1999 - $335.2 million). Temporary investments are generally for less than 30 days, and have an average effective interest rate of 5.32 per cent.

4. Agricultural Land Held for Resale

The estimated net realizable value of the agricultural land held for resale at March 31, 2000 is $212.4 million (1999 - $223.8 million).

5. Tangible Capital Assets

Tangible capital assets are recorded as an expenditure in the year acquired and are not included in the Statement of Financial Assets, Liabilities, and Accumulated Deficit. These assets are a key component in the delivery of government programs and provide on-going value to the public.

Tangible capital assets are valued at historical cost. All costs directly attributable to the acquisition, construction, development or betterment of the tangible capital assets are included.

Amortization is calculated using the straight line method based on the estimated useful life of each asset.

During the current year, the entity acquired tangible capital assets for use by the entity costing $22.2 million (1999 - $19.5 million). The net book value of $36.0 million (1999 - $33.2 million) represents the cost of tangible capital assets less an estimate of the portion of the assets used in the delivery of services.

The following table includes assets held for use by the entity and does not include assets acquired by right, heritage assets and assets available for public use.

The Saskatchewan Property Management Corporation (SPMC) also acquires tangible capital assets for use by the entity in its day to day operations. SPMC manages most of the buildings and land used by the entity in the provision of services to the public. These assets are reported separately in the financial statements of SPMC.

(Thousands)

	2000						1999
	Machinery & Equipment	Computer Hardware	Computer Software	Office Furniture & Equipment	Other	Total	Total
Estimated useful life	10 years	3 years	3 years	5-10 years	5 years - Indefinite		
Opening cost	$ 14,206	$ 24,287	$ 4,917	$ 6,348	$ 8,675	$ 58,433	$ 49,342
Additions	1,470	12,133	2,277	2,749	3,553	22,182	19,491
Disposals	(967)	(12,754)	(3,231)	(1,417)	(240)	(18,609)	(10,400)
Closing cost of tangible capital assets	14,709	23,666	3,963	7,680	11,988	62,006	58,433
Opening accumulated amortization	6,391	12,253	2,757	2,200	1,637	25,238	19,817
Annual amortization	1,522	10,222	2,042	1,082	1,189	16,057	14,286
Write-downs	0	0	0	0	0	0	0
Disposals	(906)	(10,238)	(2,835)	(1,098)	(238)	(15,315)	(8,865)
Closing accumulated amortization	7,007	12,237	1,964	2,184	2,588	25,980	25,238
Net Book Value of Tangible Capital Assets	$ 7,702	$ 11,429	$ 1,999	$ 5,496	$ 9,400	$ 36,026	$ 33,195

6. Pension Liabilities

The Government of Saskatchewan sponsors several defined benefit and defined contribution pension plans for a significant number of its employees and for members of the Legislative Assembly.

Pension fund assets of government sponsored defined benefit and defined contribution pension plans are invested in fixed income securities, equities, real estate and short term monetary items. The investment in Government of Saskatchewan securities is insignificant for all plans.

Defined benefit pension plans

Defined benefit pension plans provide benefits based on length of service and pensionable earnings. A typical defined benefit pension plan provides pensions equal to 2 per cent of a member's average five years highest salary, multiplied by the years of service to a maximum of 35 years. Members contribute a percentage of salary, which may vary based on age, to their pension plan. Pensions and contribution rates are integrated with the Canada Pension Plan.

The two main plans are the Teachers' Superannuation Plan (TSP) and the Public Service Superannuation Plan (PSSP). Other plans include Members of the Legislative Assembly Superannuation Plan (MLA), Judges of the Provincial Court Superannuation Plan (Judges), Saskatchewan Transportation Company Employees Superannuation Plan, Anti-TB League Employees Superannuation Plan and the Saskatchewan Pension Annuity Fund, an annuity underwriting operation.

Actuarial valuations are performed at least triennially. These valuations are extrapolated by an actuary when a valuation is not done in the current fiscal year. Valuations are based on a number of assumptions about future events, such as inflation rates, interest rates, wage and salary increases and employee turnover and mortality. These assumptions reflect estimates of expected long term rates and short term forecasts. The long term inflation rate is estimated as 3.25 per cent, other estimates vary based on the individual plan.

The accrued benefit obligation is determined using the projected benefit method prorated on services. Pension fund assets are valued at market related values based on actual market values averaged over a five year period. In the periods between valuations, the actuary estimates the market related value of pension fund assets using expected long term rates of return for the individual plans.

The TSP provides inflation protection equal to 80 per cent of the annual increase in the Consumer Price Index. Other plans provide inflation indexing at the discretion of the Lieutenant Governor in Council.

The Government is required to match member current service contributions for all plans except Judges and the PSSP. Separate pension funds are maintained for all plans except the PSSP. PSSP member contributions are deposited into the General Revenue Fund. All pension obligations arising under the PSSP are paid from the General Revenue Fund.

Information on the defined benefit pension plans follows:

	2000				1999
	TSP	PSSP	All Others	Total	Total
Plan status	closed	closed	closed[1]	n/a	n/a
Member contribution rate, percentage of salary	7.85	7.0 - 9.0[2]	5.0 - 9.0[2]	n/a	n/a
Number of active members	6,480	2,294	95	8,869	9,683
Average age of active members, years	48.0	50.2	54.1	48.6	48.5
Former members entitled to deferred pension benefits	16,386	158	11	16,555	18,196
Number of superannuates and surviving spouses	8,908	5,856	1,779	16,543	16,253
Member contributions (thousands of dollars)	$ 22,000	$ 6,296	$ 350	$ 28,646	$ 30,273
Government contributions (thousands of dollars)	$ 90,000	$ 0	$ 4,802	$ 94,802	$ 97,332
Benefits paid (thousands of dollars)	$195,884	$ 89,567	$ 6,311	$291,762	$285,420

[1] Judges is open to new membership, all other plans are closed.
[2] Contribution rate varies based on age upon joining the plan.

Based on the latest actuarial valuation, extrapolated to March 31, 2000, the present value of accrued pension benefits and the market related value of pension fund assets are shown in the table below:

		(Thousands)					
		2000					1999
Plan Name	Actuarial Valuation Date	Accrued Benefit Obligation	Pension Fund Assets	Net Obligation	Unamortized Estimation Adjustments[1]	Pension Liabilities	Pension Liabilities
TSP[2]	June 30, 1997	$ 3,776,000	$ 1,535,000	$ 2,241,000	$ 267,353	$ 2,508,353	$ 2,476,931
PSSP	Sept. 30, 1999	1,507,742	0	1,507,742	(277,256)	1,230,486	1,209,648
Others	Various	183,170	105,855	77,315	(15,108)	62,207	62,449
Total		$ 5,466,912	$ 1,640,855	$ 3,826,057	$ (25,011)	$ 3,801,046	$ 3,749,028

[1] Amortized to income over 1 to 13 years (1999, 1 to 13 years), the estimated average remaining service life of active plan members at the time the estimation adjustment arises.
[2] The TSP accrued benefit obligation includes a liability of $63.0 million (1999 - $67.0 million) relating to the TSP disability provision.

At March 31, 2000, the market value of plan investments was $2.0 billion (1999 - $1.9 billion). Of this amount, 47.9 per cent (1999 - 50.7 per cent), was invested in fixed income securities and 48.4 per cent (1999 - 45.8 per cent) in equity investments.

Defined contribution pension plans

Defined contribution plans provide pensions based on accumulated contributions and investment earnings. Employees contribute a percentage of salary.

The Government sponsors the Public Employees Pension Plan (PEPP), a multi-employer defined contribution pension plan. Employers are required to match employee current service contributions to this plan. The General Revenue Fund has fully funded its share. The General Revenue Fund also contributes to the Saskatchewan Teachers' Retirement Plan (STRP), sponsored by the Saskatchewan Teachers' Federation.

Information on the defined contribution pension plans to which the General Revenue Fund contributes follows:

	2000			1999
	PEPP	STRP	Total	Total
Plan status	open	n/a	n/a	n/a
Member contribution rate, percentage of salary	5.0-5.75[1]	n/a	n/a	n/a
Number of active members, all employers	26,963	n/a	26,963	24,603
General Revenue Fund participation:				
Number of active members	13,364	n/a	13,364	11,295
Number of inactive members	5,446	n/a	5,446	4,789
Member contributions (thousands of dollars)	$22,282	n/a	$ 22,282	$ 17,072
Government contributions (thousands of dollars)	$21,518	$ 20,076	$ 41,594	$ 34,922

[1] Contribution rate varies based on employee group.

Pension expenditure

The entity accounts for pensions on a cash basis. The pension liabilities are not recorded in the financial statements.

7. Reserves

The accumulated deficit of $7,068.6 million consists of an unallocated deficit component of $7,080.5 million and the Environmental Protection Reserve of $11.9 million. The Environmental Protection Reserve was created to provide contingency funding to mitigate unforeseen environmental problems related to uranium milling. The reserve is maintained at its March 31, 1992 balance.

8. Debt Servicing Costs

	(Thousands)	
	2000	1999
Total interest costs	$ 1,064,266	$ 1,150,959
Less interest reimbursed from Crown corporations and others	(381,339)	(423,656)
Other costs	13,162	17,421
Total Debt Servicing Costs	$ 696,089	$ 744,724

9. Expenditures by Function and by Object

Expenditures by function are reported as follows:

	(Thousands)	
	2000	1999 (Restated)
Agriculture	$ 336,082	$ 327,528
Community development	121,341	127,536
Debt servicing costs	696,089	744,724
Economic development	77,940	79,205
Education	982,525	950,375
Environment and natural resources	145,016	164,440
Health	1,955,736	1,774,616
Protection of persons and property	238,013	227,656
Social services and assistance	673,610	663,354
Transportation	269,252	256,289
Other	277,849	259,314
Total Expenditures	$ 5,773,453	$ 5,575,037

Expenditures by object are reported as follows:

	(Thousands)	
	2000	1999 (Restated)
Personal services	$ 461,710	$ 436,216
Travel	32,425	30,876
Transfers:		
Government entities[1]	1,861,366	1,217,412
Other	2,083,611	2,503,775
Supplier payments	456,190	457,178
Other	182,062	184,856
Debt servicing costs	696,089	744,724
Total Expenditures	$ 5,773,453	$ 5,575,037

[1] Transfers to Government entities increased by $562.2 million in 1999-2000 as a result of the change in classification of 29 district health boards to government entities.

10. Contingencies

(a) Guaranteed debt

At March 31, 2000, $348.7 million (1999 - $426.8 million) in loans were guaranteed by the Minister of Finance.

(b) Lawsuits

Up to $29.7 million may be paid, depending on the outcome of lawsuits in progress.

(c) Indian and Northern Affairs Canada

The Government pays for certain social services provided to status Indians and submits claims to the federal government for the cost of these services. The Government believes these costs are the responsibility of the federal government and believes they are fully reimbursable. However, the federal government denies responsibility for a portion of these costs.

The Government is unable to determine whether or not the outstanding amounts will be reimbursed. The Government will account for any recovery resulting from the resolution of this contingency at the time of settlement. No provision for such a recovery has been made in these financial statements.

11. Commitments

Major financial commitments include:

- Treaty land entitlement agreement commitments valued at approximately $98.3 million over eight years; rural municipality and school division tax loss compensation of approximately $14.0 million as land transfers achieve reserve status over the course of the agreements;
- Support for animal health related research, $0.5 million over one year;
- Research and development projects for new agriculture technology and opportunities in the agri-food industry, $13.6 million over five years;
- Weyerhaeuser Canada Ltd. agreement for road maintenance and construction, term indefinite, five year estimate of commitment, $22.2 million;
- Mistik Management agreement for road reconstruction, term indefinite, five year estimate of commitment, $3.4 million;
- Capital grant projects, over the next five years, $67.9 million;
- Contracts for highway improvement, $26.6 million;
- Computer service agreements, $17.2 million over two years;
- Capital costs associated with the construction of the CLS Synchrotron Facility, $23.0 million over four years;
- Support for health researchers and research projects, $1.0 million over four years; and,
- Projects to expand innovation and enhance the competitive ability of the Saskatchewan economy, $1.7 million over three years.

Included are commitments for agriculture $13.6 million, education $41.7 million, health $28.3 million, transportation $52.2 million, community development $112.3 million, economic development $26.2 million, social services and assistance $13.2 million and other $1.9 million.

12. Related Party Transactions

Included in these financial statements are transactions with various Saskatchewan Crown corporations, agencies, boards, and commissions related to the General Revenue Fund by virtue of common control by the Government of Saskatchewan.

Routine operating transactions with related parties are recorded at the rates charged by those organizations and are settled on normal trade terms. These transactions include:

- payments to related parties, made from the entity during the year, of approximately $96.0 million (1999 - $99.2 million) to Saskatchewan Property Management Corporation and $17.7 million (1999 - $18.5 million) to Saskatchewan Telecommunications Holding Corporation;
- taxation and non-renewable resource revenue received from related parties during 1999-2000 of approximately $48.9 million (1999 - $49.6 million). In addition, Saskatchewan Education and Health Tax and Fuel Tax are received from related parties on all taxable purchases.

Other transactions with related parties and amounts due to or from them are described separately in these financial statements.

13. Trust Funds

Trust funds are property held and administered on behalf of beneficiaries. Trust assets are not owned by the Government and the Government has no equity in the funds. Therefore, trust funds are not included in the reporting entity.

Fund balances held and administered by the General Revenue Fund at March 31, 2000, were as follows:

	(Thousands)	
	2000	1999
Superannuation funds and pension plans[1]	$ 5,516,573	$ 5,024,582
Public Trustee's Trust Account	143,860	132,503
Other trusts	33,164	29,322
Total	$ 5,693,597	$ 5,186,407

[1] The balance reflects the latest financial statements of the funds and plans closest to March 31, 2000.

14. Uncertainty Due to the Year 2000 Issue

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems which use certain dates in 1999 to represent something other than a date. Although the change in date has occurred, it is not possible to conclude that all aspects of the Year 2000 Issue that may affect the Government, including those related to customers, suppliers, or other third parties, have been fully resolved.

15. Comparative Figures

Certain of the 1999 figures have been reclassified to conform with the current year presentation. With regard to expenditures, the figures are reported on the same basis as the Estimates for the prior year.

16. Debt Reduction Account

This account was established pursuant to *The Balanced Budget Act*. The Debt Reduction Account is an accounting of the accumulated surpluses of the General Revenue Fund commencing April 1, 1995.

	(Thousands)	
	Budget	Actual
Debt Reduction Account, beginning of year	$ 488,472	$ 488,472
Reduction in Accumulated Deficit for the year	8,346	83,479
Debt Reduction Account, End of Year	$ 496,818	$ 571,951

DETAIL OF GENERAL REVENUE FUND DEBT
As at March 31, 2000 (unaudited)

A. Term Debt Issued to the Public

Date of Issue	Date of Maturity	Interest Rate %	Currency	$ Amount Outstanding
July 12/90 (Non Callable)	July 12/00	11¼	Canadian	425,000,000
July 15/95 (Redeemable annually at the option of the holder or any time on the death of the holder; the Province reserves the right to increase the interest rate after July 14, 1996)	July 15/00	6¾	Canadian	154,356,500
August 17/90 (The original issue of 200,000,000 7% Swiss Franc debentures has been swapped into Canadian dollars with an effective cost of funds of 10.868%; Non Callable)	August 17/00	10.868	Canadian	146,660,000
October 31/95 (Non Callable)	October 31/00	7¾	Canadian	2,000,000
January 9/91 (Non Callable)	January 9/01	11	Canadian	475,000,000
April 10/91 (The original issue of 200,000,000 7⅛% Swiss Franc debentures has been swapped into Canadian dollars with an effective cost of funds of 10.57%; Non Callable)	April 10/01	10.57	Canadian	145,360,000
March 28/91 (Non Callable)	June 1/01	10¾	Canadian	150,000,000
March 28/91 (Non Callable)	June 1/01	8¾	Canadian	101,168,000
July 15/96 (Redeemable annually at the option of the holder or any time on the death of the holder; the Province reserves the right to increase the interest rate after July 14, 1997)	July 15/01	5½	Canadian	155,043,100
October 10/96 (Non Callable)	October 10/01	6⅛	Canadian	200,000,000
July 15/97 (Redeemable annually at the option of the holder or any time on the death of the holder; the Province reserves the right to increase the interest rate after July 14, 1998).	July 15/02	4	Canadian	43,666,700
July 29/92 (The original 5,000,000,000 6.04% Japanese Yen loan has been converted by forward contract to Canadian dollars resulting in an all-in-cost of 8¾%; Non Callable)	July 29/02	8¾	Canadian	47,700,000
September 30/92 (The original 5,000,000,000 6% Japanese Yen loan has been converted by forward contract to Canadian dollars resulting in an all-in-cost of 8.21%; Non Callable)	September 30/02	8.21	Canadian	49,613,664
December 1/82 (Callable in whole but not in part on any interest payment date on or after December 1, 2000; annual sinking fund.)	December 1/02	13	Canadian	122,791,000
February 12/93 (The original 200,000,000 Deutschemark issue carried interest at 11% paid annually for two years and a floating interest rate paid semi-annually for the remaining term of the debentures. Principal and interest payments have been converted by forward contract to Canadian dollars with an all-in-cost of 9.055%; Non Callable)	February 12/03	9.055	Canadian	154,107,820
March 30/83 (Callable in whole but not in part on any interest payment date on or after March 30, 2001; annual sinking fund)	March 30/03	12¼	Canadian	243,539,000

Date of Issue	Date of Maturity	Interest Rate %	Currency	$ Amount Outstanding
July 20/93	July 15/03	6⅝	Canadian	191,850,000
			U.S.	50,000,000
(The General Revenue Fund $150,000,000 U.S. share of this issue has been swapped into $191,850,000 Canadian dollars with an effective interest rate of 8.32%; Non Callable; annual sinking fund)				
July 15/98	July 15/03	5	Canadian	166,347,100
(Redeemable annually at the option of the holder or any time on the death of the holder; the Province reserves the right to increase the interest rate after July 14, 1999)				
August 31/93	August 31/03	8.2	Canadian	31,040,865
(The original 2,500,000,000 5.2% Japanese Yen loan has been swapped into Canadian dollars with an effective interest rate of 8.2%; Non Callable)				
May 10/94	May 10/04	8.82	Canadian	67,116,600
(The original 5,000,000,000 4.48% Japanese Yen loan has been swapped into Canadian dollars with an effective interest rate of 8.82%; Non Callable)				
June 22/99	June 17/04	5 ½ - 5 ¾	Canadian	25,000,000
(If not redeemed by the holder on June 17, 2004, this note matures on June 17, 2019. This note pays interest at 5 ½ % to June 17, 2004 and 5 ¾ % thereafter.)				
July 15/99	July 15/04	5	Canadian	547,129,500
(Redeemable annually at the option of the holder or any time on the death of the holder; the Province reserves the right to increase the interest rate after July 14, 2000.)				
July 26/94	July 15/04	Var.	Canadian	553,094,588
(The original $400,000,000 8% U.S. debentures have been swapped into Canadian dollars; $200,000,000 at 9.83%; $100,000,000 at 4.98% and $100,000,000 at 4.982%; Non Callable; annual sinking fund)				
August 16/94	August 16/04	9½	Canadian	300,000,000
(Non Callable; annual sinking fund)				
December 30/86	December 30/04	9⅝	Canadian	100,000,000
(Non Callable)				
February 17/00	January 25/05	6.1 - 6 ¼	Canadian	25,000,000
(If not redeemed by the holder on January 25, 2005, this note matures on January 25, 2030. This note pays interest at 6.1% to January 25, 2005 and 6 ¼% thereafter.)				
December 19/95	December 19/05	7½	Canadian	300,000,000
(Non Callable; annual sinking fund)				
March 24/99	March 5/06	5 - 5.6	Canadian	60,000,000
(If not redeemed by the holder on March 5, 2006, this note matures on March 5, 2029. This note pays interest at 5% to March 5, 2006 and 5.6% thereafter.)				
August 23/96	August 23/06	7.846	Canadian	63,684,000
(The original 5,000,000,000 3.451% Japanese Yen loan has been converted by forward contract to Canadian dollars resulting in an all-in cost of 7.846%; Non Callable)				
January 25/00	January 25/07	6.35%	Canadian	30,000,000
(Extendible at the option of the holder to January 25, 2030.)				
January 25/00	January 25/07	Var.	Canadian	120,000,000
(Extendible at the option of the holder to January 25, 2030. This note, which pays interest at 6.2% to January 25, 2007 and 6.35% thereafter, has been swapped to floating rate debt in two parts to pay interest at the three month bankers' acceptance rate minus 0.505% and 0.500%, respectively.)				
March 9/00	March 9/07	6 ¼	Canadian	250,000,000
(Non Callable)				
May 15/97	May 15/07	6.65	Canadian	30,000,000
(Non Callable; annual sinking fund)				

Date of Issue	Date of Maturity	Interest Rate %	Currency	$ Amount Outstanding
March 2/83 (Non Callable)	March 1/08	9	Canadian	50,000,000
March 15/93 (Non Callable; annual sinking fund)	March 15/08	7⅛	U.S.	194,000,000
November 28/97 (Non Callable; annual sinking fund)	May 28/08	5½	Canadian	20,000,000
February 26/98 (Non Callable; annual sinking fund)	June 2/08	5½	Canadian	400,000,000
November 12/99 (Non Callable; annual sinking fund)	November 12/09	6 ½	Canadian	250,000,000
January 18/90 (Non Callable; annual sinking fund)	January 18/10	10	Canadian	300,000,000
February 2/93	February 1/13	8	Canadian U.S.	292,060,000 200,000,000
($200,000,000 of the U.S. $400,000,000 debenture issue has been swapped to Canadian dollars with an effective interest rate of 7 ¼ %; Non Callable; annual sinking fund)				
July 20/93 (Non Callable; annual sinking fund)	July 15/13	7⅜	U.S.	300,000,000
March 14/91 (Non Callable; annual sinking fund)	April 10/14	10¼	Canadian	583,916,000
December 1/65 (Payable in blended semi-annual payments of principal and interest totalling $76,399.60. Prepayable in whole or in part any time prior to December 1, 2015, without penalty)	December 1/15	5⅛	Canadian	1,654,686
September 17/96 (Non Callable Serial Note)	September 17/16	7.93	Canadian	18,404,000
December 20/90 (Non Callable; annual sinking fund)	December 15/20	9⅜	U.S.	300,000,000
February 26/91 (Non Callable; annual sinking fund)	February 15/21	9⅛	U.S.	200,000,000
February 4/92 (Non Callable; annual sinking fund)	February 4/22	9.6	Canadian	255,000,000
July 21/92 (Non Callable; annual sinking fund)	July 15/22	8½	U.S.	300,000,000
May 30/95 (Non Callable: annual sinking fund)	May 30/25	8¾	Canadian	175,000,000
December 4/98 (Non Callable; annual sinking fund)	March 5/29	5¾	Canadian	100,000,000
Various debentures issued to finance union hospital debt				342,682

B. Debentures Issued to Minister of Finance of Canada

Date of Issue	Date of Maturity	Interest Rate	Amount Outstanding
Re: Canada Pension Plan[1]			
April 1980-March 1981	April 2000-March 2001	12.70	$ 87,129,000
April 1981-March 1982	April 2001-March 2002	15.43	109,647,000
April 1982-March 1983	April 2002-March 2003	14.67	110,084,000
April 1983-March 1984	April 2003-March 2004	11.60	109,328,000
April 1984-March 1985	April 2004-March 2005	13.37	104,274,000
April 1985-March 1986	April 2005-March 2006	11.48	112,507,000
April 1986-March 1987	April 2006-March 2007	9.61	133,709,000
April 1987-March 1988	April 2007-March 2008	9.61	88,333,000
April 1988-March 1989	April 2008-March 2009	10.08	93,932,000
April 1989-March 1990	April 2009-March 2010[2]	9.90	101,867,000
April 1990-March 1991	April 2010-March 2011[2]	10.85	90,318,000
April 1991-March 1992	April 2011-March 2012[2]	9.92	90,664,000
April 1992-March 1993	April 2012-March 2013[2]	9.37	62,705,000
April 1999-March 2000	April 2019-March 2020[2]	6.34	46,335,000
			$1,340,832,000
Re: The Municipal Development Loan Fund			
1965-1967	2005-2007	5.375%	$ 25,563
Re: Agricultural Service Centres Loan Agreement			
1982-1985	2001-2004	7.665-13.477%	$ 190,205
Total			$1,341,047,768

[1] All debentures issued to the CPP have a 20-year maturity, are not callable at the option of the Province and are redeemable in certain circumstances. The interest rates have been prepared on a weighted average basis.

[2] Subject in part to annual sinking funds; equity in sinking funds at March 31, 2000, $50,469,391.

Summary

	(Millions)
Payable in Canadian Funds:	
Term Debt Issued to the Public	$ 7,922.7
Debentures Issued to Minister of Finance of Canada	1,341.0
Payable in Foreign Currencies	
Term Debt Issued to the Public (converted to Canadian Dollars)	2,244.2
Term Debt Outstanding	11,507.9
Promissory Notes Outstanding	360.0
Gross Debt	$ 11,867.9

CROWN CORPORATIONS

Introduction

Saskatchewan's Crown corporations are involved in a broad range of activities including the provision of electricity, natural gas, telecommunications, financial services and other goods and services. Certain Crown corporations are commercial enterprises intended to be self-sustaining while others receive an annual appropriation to cover costs of administration and other expenses.

Traditionally, the capital requirements of the Government's enterprises have been financed, with few exceptions, through direct obligations of, or advances by, the General Revenue Fund ("GRF"). Provincial legislation governing certain Crown corporations provides for the issuance of securities by these enterprises, with or without a guarantee of the Province. Pursuant to *The Financial Administration Act, 1993,* all borrowings by Provincial Crown corporations must be approved by the Minister of Finance for Saskatchewan.

Loans and advances to, and investments in, Crown corporations are carried in the financial statements of the GRF at cost. Loans and equity investments are written down to their estimated net realizable value.

For administrative purposes, Saskatchewan's Crown corporations are categorized into two separate groups. Crown corporations with commercial operations are under the purview of, and report to, Crown Investments Corporation of Saskatchewan, as discussed below. All other Crown corporations report directly to the Treasury Board, which is a committee of the Executive Council. Some corporations have dual reporting requirements.

Crown Investments Corporation of Saskatchewan ("CIC")

Introduction. CIC is a Provincial Crown corporation without share capital, established and operating under authority of *The Crown Corporations Act, 1993.* CIC is responsible for certain Provincial investments including Crown corporations and financial and operating investments. Crown corporations are designated as being under the purview of CIC by legislation or Order-in-Council. As at December 31, 1999, there were ten corporations so designated.

Fiscal Year 1999 Highlights - Non-Consolidated Basis. CIC, as a legal entity, makes investments, borrows money, receives dividends and interest income and pays interest, grants and other expenses. The results of these transactions are reflected in CIC's Non-Consolidated Financial Statements which, unlike the financial statements of the GRF, are based on the calendar year.

Non-consolidated net earnings in 1999 were $129.0 million compared to $174.9 million in 1998. The $45.9 million decrease was largely due to lower dividend revenue, partly offset by a reduction in operating and net interest expenses.

Revenues for the year were $162.5 million, a decrease of $79.7 million from 1998. The decrease was mainly the result of lower dividends from subsidiaries, offset partly by higher interest revenue. The decrease in dividend revenue was due to lower dividends from CIC Industrial Interests Inc. ("CIC III") and from subsidiary Crown corporations. In 1998, CIC received a non-recurring $60.0 million dividend from CIC III resulting from the sale of its investment in the Husky Upgrader.

In addition to the $2.7 million of dividends declared from CIC's investment in Cameco Corporation, the following dividends were declared to CIC from Crown corporations under its purview.

	Millions
Saskatchewan Power Corporation	$ 62.6
Saskatchewan Telecommunications Holding Corporation	60.8
SaskEnergy Incorporated	20.1
Saskatchewan Government Insurance	9.1
	$ 152.6

Dividends declared to CIC from CIC Crown corporations in 1998 totalled $176.4 million.

Expenses of $29.5 million in 1999 were down $35.2 million from the previous year, mainly due to lower operating and interest expenses. Interest expense of $20.5 million declined $33.8 million as a result of lower debt. Debt at year end was $61.2 million, a reduction of $156.5 million or 72 per cent from 1998. Debt fell due to offsetting sinking fund contributions arising from non-interest bearing advance repayments from CIC III, and sinking fund earnings.

CIC did not have any asset write-downs in either 1998 or 1999.

Fiscal Year 1999 Highlights - Consolidated Basis. The financial statements of CIC are consolidated with the Crown corporations under its purview and other investments to provide the Legislature with financial information relating to the aggregate results of these corporations. The corporations provide a wide variety of services and sell various commodities in both domestic and international markets. The diversified nature of the corporations within the consolidated group is such that the operating results are affected by events and conditions occurring throughout the world.

For the year ended December 31, 1999, CIC reported consolidated net earnings of $215.8 million on total revenues of $2.8 billion, compared to consolidated net earnings of $344.5 million on total revenues of $2.7 billion in 1998. Excluding non-recurring items of $63.9 million (1998 - $107.4 million), earnings from ongoing operations were $151.9 million (1998 - $237.0 million). The decline reflects higher operating costs at SaskPower and SaskTel as well as lower investment earnings. The decrease in investment earnings is primarily due to residual profits recorded in 1998 in one of the five fund companies of Saskatchewan Government Growth Fund Management Corporation ("SGGF"), together with a decrease in earnings from Saskferco Products Inc. ("Saskferco") and a decline in earnings from the investment portfolio of Saskatchewan Government Insurance ("SGI"). Consolidated earnings in 1999 included non-recurring items of $63.9 million and were mainly comprised of gains on the sale of Saskfor MacMillan Limited Partnership ($30.2 million) and Saturn Communications Limited ($39.0 million), partly offset by $5.2 million in losses as a result of the bankruptcy of the Lake Diefenbaker Potato Corporation. In 1998, CIC's non-recurring items consisted of gains on the sale of Husky Upgrader ($94.3 million), Alouette Telecommunications Inc. ($7.6 million) and NorSask Forest Products Inc. ($5.6 million).

As CIC has strengthened its financial position by reducing its non-consolidated debt to a self-supporting level, sustainably higher dividends to the GRF have been possible. CIC has been able to increase its regular GRF dividend from $50.0 million in 1995, 1996, and 1997 to $100.0 million in 1998 and $125.0 million in 1999. Also, proceeds from the 1998 sale of the Husky Upgrader enabled CIC to declare a special dividend of $100.0 million to the GRF, and the repayment of $85.0 million in equity advances from the GRF. For 2000, CIC expects to increase its regular dividend to $150.0 million.

During 1999, capital expenditures made by CIC and the Crown corporations under its purview totalled $417.3 million compared to $390.0 million spent in 1998. Taxes and resource payments made by the corporations were $75.3 million in 1999 compared to $83.9 million in 1998. Total consolidated assets administered by CIC were $7.3 billion as at December 31, 1999, a slight decrease from a total of $7.5 billion as at December 31, 1998.

In October 1999, the Government announced its intention to replace the existing 45-Day Rate Review process for Crown monopoly rates with a new process. On November 18, 1999, the Minister of Crown Investments Corporation issued a Ministerial Order establishing the Saskatchewan Interim Rate Review Panel ("SIRRP") as a ministerial advisory committee, pending the development and implementation of a permanent review process. On July 26, 2000, the Saskatchewan Rate Review Panel ("SRRP") was established and its mandate is patterned on SIRRP. This mandate is to conduct a review and provide an opinion on the fairness and reasonableness of proposed Crown Corporation monopoly rate changes, referred to the Panel by the Minister of Crown Investments Corporation, considering the interests of the customer, the Crown Corporation, and the public.

Prior to the establishment of SIRRP, SaskEnergy implemented a distribution and transmission rate increase of 2.9 per cent effective January 1, 1999. The distribution rate adjustment reflected increases in commodity input prices which are a pass through cost for SaskEnergy (i.e., there is no profit or markup on gas).

The interim panel completed two rate reviews between October 1999 and July 2000. SaskEnergy received approval for a 9.1 per cent increase to gas bills effective December 15, 1999 to recover increases in the cost for natural gas - SaskEnergy passes these costs through to customers. The Government approved the rate increase based on the recommendation of SIRRP. As well, SaskTel received approval for a 13.7 to 18.0 per cent increase to basic telephone service effective March 17, 2000. The rate increase was part of a rate re-balancing package resulting in residential customers paying a flat monthly rate for basic telephone service. Other changes to service charges were also approved as part of the rate re-balancing initiative. The Government approved the rate increase based on the recommendation of SIRRP.

SRRP has completed two rate reviews since its establishment. A proposed 2 per cent rate increase in vehicle insurance premiums by SGI was denied in September, 2000. An application for rate increases was submitted by SaskEnergy and SRRP recommended an increase in natural gas consumption rates. This increase was approved by the Government based on the recommendation of SRRP (refer to the discussion on SaskEnergy in this section).

In order to encourage new industry, CIC has been a proponent of major diversification efforts in which the Government has a stake. CIC administers eleven subsidiary Crown corporations, one of which was created subsequent to December 31, 1999, and one wholly-owned subsidiary incorporated under *The Business Corporations Act (Saskatchewan)*. CIC also holds major investments in four different entities. Following is a brief commentary on CIC's major holdings.

Active Crown Corporations

As at December 31, 1999, the following ten active Crown corporations were under CIC's purview: Saskatchewan Development Fund Corporation, SGGF Management Corporation, SGI, Saskatchewan Opportunities Corporation, SaskPower, SaskTel (Holding Corporation), Saskatchewan Telecommunications (a subsidiary of SaskTel), STC, Saskatchewan Water Corporation, and SaskEnergy. Of these corporations, SaskPower, SaskTel and SaskEnergy are the most significant in terms of assets, liabilities and operating income generated.

Effective January 1, 2000, Saskatchewan Land Information Services Corporation ("SLISC") was established. Its mandate includes the re-evaluation, redesign and automation of Saskatchewan's land titles system and its integration with the provincial survey, mapping and geographic information systems. The name of SLISC was changed to Information Services Corporation of Saskatchewan effective November 1, 2000.

Saskatchewan Power Corporation. SaskPower provides electrical energy and related services including the generation, purchase, transmission, distribution and sale of electricity and related products and services.

SaskPower's net earnings were $114.0 million in 1999 compared to $140.3 million in 1998. Net earnings declined due to increased operating expenditures.

Total revenues increased to $977.0 million in 1999 from $958.4 million in 1998 largely due to higher export sales. Operating expenses (e.g. fuel and purchased power, and staffing costs) of $708.0 million in 1999 increased from $649.3 million in 1998 due to rising fuel costs, one-time or non-recurring items and higher wage expenses. SaskPower reduced its debt by $93.9 million to $1.5 billion in 1999 while maintaining its freeze on farm and residential electrical rates. Finance charges declined to $155.0 million in 1999 from $168.8 million in 1998. During 1999, SaskPower declared a dividend to CIC of $62.6 million (1998 - $77.2 million).

Capital spending of $184.7 million in 1999 (1998 - $136.7 million) was for customer connections, transmission and distribution improvements, power plant improvements, information systems hardware, and software applications. SaskPower continues to place emphasis on funding all capital expenditures (excluding major generation additions) with cash generated from operations, thereby reducing reliance on external financing.

SaskPower has undertaken significant investments during 2000. In June 2000, SaskPower announced plans to install improved technology to upgrade one of its major power stations at a projected cost of $140 million. The project is expected to be completed in the summer of 2002. SaskPower is partnering with ATCO Power of Alberta to develop a 228 megawatt cogeneration and combined-cycle facility at the Potash Corporation of Saskatchewan Cory mine site near Saskatoon. The overall project cost is estimated to be $228 million. As well, SaskPower is participating in a joint venture with the ATCO Group to develop a 170 megawatt cogeneration facility near the Muskeg River Mine in Alberta for a total project cost of $227 million.

On December 15, 2000, SaskPower submitted a request to Cabinet to increase rates effective January 1, 2001, by an average of 3.25 per cent as well as to rebalance rates among customer classes. The rate increase is to recover higher costs associated with fuel, operations, maintenance and administration. The rate rebalancing proposal will align customer rates more closely with the associated cost of service. SaskPower's proposal will be subject to review by SRRP prior to consideration by Cabinet. A rate freeze has been in effect for SaskPower since 1996.

Saskatchewan Telecommunications Holding Corporation. SaskTel is the leading full service communications company in Saskatchewan, providing local, long distance, voice, data, Internet, wireless, text and messaging services over a fully digital network. Through its national and international alliances and interconnection agreements, SaskTel serves consumers and small business customers, as well as regional and national business accounts. SaskTel also maintains investments in companies that provide design, software development, project management and consulting services, in addition to telephone directory and multimedia services.

SaskTel's net earnings in 1999 were $67.5 million compared to $93.2 million in 1998. Earnings in 1999 were lower primarily due to a non-cash charge of $34.2 million for restructuring and other charges. These related to an early retirement program announced in 1999, as well as a write-down of assets and non-recoverable local competition start-up costs.

Revenues of $737.7 million in 1999 decreased from $752.6 million reported in 1998. Revenues decreased mainly due to declining long distance revenues as a result of competitive pressures, and decreases in interprovincial settled revenues. Competitive pricing, combined with strong customer focus, has enabled SaskTel to retain about 93 per cent of the Saskatchewan long distance market.

Operating expenses of $637.8 million in 1999 increased from $625.6 million in 1998 mainly due to higher selling, promotional, training and information technology costs. Debt was $409.0 million in 1999 compared to $414.2 million in 1998. Interest charges decreased marginally to $36.0 million in 1999 from $36.5 million in 1998.

Effective June 24, 1999, SaskTel entered into an agreement with UnitedGlobalCom (the majority shareholder of Saturn Communications Limited ("Saturn")) to exchange its 35.0 per cent interest in Saturn for shares in a newly created company, Austar United Communications Limited ("Austar"). On July 27, 1999, SaskTel divested its 35 per cent interest in Saturn and recorded a non-cash gain of $39 million. As consideration, SaskTel received 13.7 million common shares of Austar, a leading broadband communications provider in Australia and New Zealand. During the first half of 2000, SaskTel began the sale of these shares, realizing a $13.7 million gain on the sale of 4.1 million Austar shares. SaskTel intends to continue divesting of these shares depending on capital market conditions.

During 1999, SaskTel declared a dividend of $60.8 million to CIC (1998 - $51.3 million).

Capital spending was $155.3 million (1998 - $170.2 million). Rationalization saw the reduction of capital resources for the purpose of sustaining and maintaining the network while capital resources for growth initiatives increased.

Effective June 30, 2000, SaskTel became regulated under the Canadian Radio-television and Telecommunications Commission ("CRTC").

SaskEnergy Incorporated. SaskEnergy is a natural gas utility that provides natural gas and related services to residential, farm, commercial and industrial customers in Saskatchewan. TransGas is SaskEnergy's wholly-owned natural gas transmission and storage company.

SaskEnergy's net earnings in 1999 were $36.6 million compared to $36.3 million in 1998.

Revenues of $399.6 million were up from the $367.0 million earned in the previous year largely due to a full year's impact of rate increases introduced in November 1998 and January 1999. As well, almost 3,800 new customers were added to the distribution system.

Expenses were $363.0 million in 1999 compared to $330.7 million in 1998. The increase was mainly due to the higher cost of gas, primarily a result of rising gas commodity prices and increased sales volume. Debt was $730.6 million in 1999 compared to $731.8 million in 1998.

SaskEnergy increased residential natural gas rates by 9.1 per cent on December 19, 1999 to recover increased natural gas input costs. In September 2000, SaskEnergy applied to the SRRP for a rate increase. On November 29, 2000, SRRP's recommendation was approved by Cabinet, allowing SaskEnergy to increase its natural gas consumption rates from 11.1 cents per cubic metre to 16.69 cents per cubic metre as a result of escalating gas commodity rates. The natural gas rates being offered by SaskEnergy to its distribution system customers were among the lowest in Canada in 1999.

During 1999, SaskEnergy declared a dividend to CIC of $20.1 million (1998 - $19.9 million).

Capital spending of $61.3 million in 1999 (1998 - $59.3 million) was primarily for renewal of the existing infrastructure, extensions to the transmission system, and new customer connections to the local distribution network.

Major Investments

CIC has invested as a commercial partner in a number of enterprises. The most significant of these are discussed below.

NewGrade Energy Inc. ("NewGrade"). NewGrade operates a heavy oil upgrading plant in Regina. NewGrade's outstanding voting shares are owned 50.0 per cent by the Government of Saskatchewan through CIC and 50.0 per cent by Consumers' Co-operative Refineries Limited ("CCRL"), a wholly-owned subsidiary of Federated Co-operatives Limited of Saskatoon. The plant is currently operating above design capacity with the ability to produce an output of approximately 3.39 million cubic metres of upgraded crude oil in any year in which the complex does not undergo a one-month maintenance shutdown.

NewGrade recorded a net loss for its fiscal year ending October 31, 1999 which reduced CIC's consolidated earnings for the year ended December 31, 1999 by $17.1 million compared to a positive earnings contribution of $7.7 million in 1998. NewGrade's earnings decreased largely due to substantially weaker crude oil differentials compared to the previous year.

Both shareholders were required to provide cash deficiency funding in 1999 (CIC - $18.4 million; CCRL - $6.6 million). This was the first time cash deficiency funding has been required since 1994. Both CIC and CCRL are contractually obligated to provide cash deficiency funding in the amount of $3.3 million each in 2000.

NewGrade's total government-guaranteed debt at March 31, 2000 was $34.9 million in addition to U.S. $120.0 million. These amounts were guaranteed 56.7 per cent directly by the Government of Saskatchewan and 43.3 per cent by CIC.

Saskferco Products Inc. ("Saskferco"). Saskferco is a nitrogen-based fertilizer plant located near Belle Plaine with its head office in Regina. Saskferco completed a self-financed $35.8 million expansion of its plant in September 1997 that has increased its average annual urea production capacity by 180,000 tonnes to 930,000 tonnes and reduced average ammonia production by 104,000 tonnes to 73,000 tonnes. The nitrogen fertilizers produced by Saskferco service the agricultural markets in Canada and the northern United States, as well as offshore. CIC III owns 49.0 per cent of Saskferco, Cargill Limited (Canada) 50.0 per cent, and Citibank Canada 1.0 per cent.

Saskferco recorded a net loss for calendar 1999 but provided $3.0 million in dividends to CIC III on account of its earnings for its fiscal year ended May 31, 1999. This reduced CIC's consolidated earnings for the year ended December 31, 1999 by $2.2 million, compared to a $10.1 million positive contribution in 1998. The decline was largely due to lower urea and ammonia prices and higher natural gas prices in 1999 compared to the previous year.

Medium Term Notes issued by Saskferco with a principal amount of U.S. $182.0 million as at March 31, 2000, are guaranteed by the GRF (principal was subsequently reduced to U.S. $166.0 million on May 31, 2000). The project agreements provide that cash flow will be allocated on a priority basis to the reduction of guaranteed debt. As a result of surplus cash from operations, Saskferco has established a debt retirement fund specifically for the Medium Term Notes. The fund had a balance of $114.0 million as of March 31, 2000. Subsequent to March 31, 2000, the Minister of Finance authorized Saskferco to withdraw up to $10.0 million from the fund to finance capital spending for certain expansion projects. The GRF receives commercially-based guarantee fees based on guaranteed debt outstanding.

In addition to guaranteeing the debt noted above, the GRF may, in certain circumstances, be obligated to provide additional financial support by way of a loan to Saskferco, in an amount not to exceed the lesser of $30.0 million or 15.0 per cent of the amount of guaranteed debt outstanding. Any such loan that may be necessary is to be repayable by Saskferco to the GRF on a priority basis and will bear interest at a chartered bank's prime rate plus 1.0 per cent per annum. CIC does not currently expect that this additional financing will be required.

Meadow Lake Pulp Limited Partnership ("MLPLP"). MLPLP operates one of the world's first zero-effluent chemi-thermomechanical pulp ("CTMP") mills. The mill uses 100.0 per cent aspen as the fibre source, producing up to 300,000 tonnes per annum of hydrogen peroxide bleached CTMP. CIC Pulp Ltd., a wholly-owned share capital subsidiary of CIC III, owns 50.0 per cent of MLPLP, with Millar Western holding the remaining 50.0 per cent. The state-of-the-art, environmentally friendly mill is located near Meadow Lake. Its wood pulp is sold in Canada, the United States and off-shore.

In 1999, MLPLP posted its first net profit since 1995. On a consolidated basis, MLPLP's contribution to CIC's consolidated earnings for the year ended December 31, 1999 was $10.6 million compared to a $46.6 million loss in 1998. Included in 1998 results was a $30.0 million loan loss provision.

Due to the low pulp prices in 1997, MLPLP experienced cash flow difficulties, necessitating partner guarantees totalling $10 million for additional short term operating financing. As a result of the continuation of the low pulp prices in 1998, the partners were required to fully honour the amounts guaranteed by them for the additional short term operating financing. In addition, CIC agreed to fund all cash flow deficiencies of MLPLP beyond cash available under its Bank Operating Loan Agreement, until August 1999. CIC also gave assurances that arrangements will be made to reduce MLPLP's long term bank loan from U.S. $85 million to an amount deemed reasonable by the lender by August 1999. The bank agreed to extend the August 1999 maturity date to May 2000 on the condition that CIC continue to fund all cash flow deficiencies of MLPLP to May 2000 and that MLPLP pay down the bank term loan to U.S. $75.0 million. This loan was paid down to that amount by August 31, 1999. Subsequent to March 31, 2000, the bank agreed to extend the May 2000 maturity date to December 2000 on the same terms.

During the first half of 1999, MLPLP realized a one-time gain on a partial buy out of a fixed sales contract by a customer. That, coupled with modestly higher pulp prices, resulted in a reduction in CIC's share of MLPLP's operating losses in the first half of 1999.

HARO Financial Corporation ("HARO"). HARO is a Regina-based company created to acquire an ownership interest in Crown Life Insurance Company ("Crown Life"). CIC III owns 68 million non-voting, common shares of HARO at a cost of $68.0 million representing 94 per cent ownership of the equity of HARO. As at CIC III's fiscal year ended December 31, 1999, it also had a loan to HARO totalling $204.7 million. A second loan, a $149.5 million convertible debenture, was repaid as part of the closing of the Canada Life transaction (see below) on January 12, 1999. At December 31, 1999, HARO held a 63.83 per cent ownership interest in Crown Life. Crown Life's other major shareholder is Extendicare Inc., holding 31.92 per cent. The remaining 4.25 per cent of the common shares are widely held.

Of the 63.83 per cent interest held in Crown Life, 4.0 per cent is related to the 6 per cent of HARO that CIC III does not own, leaving CIC III with an indirect 59.83 per cent ownership interest in Crown Life.

On May 26, 1998, Crown Life announced that it had entered into an agreement to sell its Canadian insurance business (other than its Canadian reinsurance business), its U.S. group life and health insurance business, substantially all of its non-Canadian reinsurance business, and its insurance business in certain other jurisdictions in which Crown Life is licensed to The Canada Life Assurance Company ("Canada Life"). The remaining Crown Life insurance business is administered by Canada Life under an administrative services agreement. Canada Life may either (a) acquire the balance of the insurance business at a later date after the satisfaction of certain conditions or (b) elect or, under certain conditions, be obligated to purchase the outstanding common shares of Crown Life. The Canada Life transaction closed on January 1, 1999.

On January 12, 1999 Crown Life redeemed the $149.5 million convertible debentures, plus accrued interest, owned by HARO. HARO, in turn, repaid the full $149.5 million convertible debenture from CIC III, plus accrued interest of $4.2 million.

Payment of principal and interest is subject to available cash flow as defined in the loan agreement. As Crown Life has not paid any common share dividends for several years, HARO has not been required to pay interest on its loan from CIC III.

Crown Life had $1.44 billion in total assets, primarily mortgage loans (34 per cent of assets), real estate (26 per cent of assets) and bonds (25 per cent of assets), under management at December 31, 1999. Crown Life's plan for the future of the remaining operation of Crown Life has yet to be fully developed but the intention is to build an investment management company that will have a primary focus in venture capital and real estate investments. Most of the existing assets will be liquidated with proceeds used to extinguish liabilities and most of the balance distributed to shareholders over time. CIC expects to recover at least the balance of its investment in HARO within five years. A small portion of capital will be retained as seed capital for the new investment management company.

Crown Life retained liability for litigation issues arising out of sales of vanishing premium policies and other market conduct issues. Currently, it is a defendant in lawsuits involving the sale on a so-called "vanishing premium" basis of participating whole life insurance policies. As many as 150 U.S. and Canadian life insurance companies which sold policies on this basis are defendants in similar lawsuits being pursued by purchasers of such policies. The U.S. Federal Court has confirmed Crown Life's right to the Federal Court jurisdiction without a jury for all so-called "vanishing premium" cases launched after October 24, 1995 and such cases remain consolidated before the Federal Court. Less than ten individual cases remain outstanding of which only one is in State Court. The Company continues to seek settlement of these individual actions.

Crown Life is also named as a defendant in other legal actions purporting to represent classes of Canadian and South American participating policyholders. Discussions aimed at resolving the other actions are continuing.

Crown Life's ratio of equity to liabilities improved to 1.8:1 at December 31, 1999, compared with 9.0:1 a year earlier, and net income for 1999 was $80.8 million, including a gain on sale of $47.9 million related to the Canada Life transaction.

Husky Upgrader. Prior to January 1998, CIC III owned a 50.0 per cent interest in Bi-Provincial, a joint venture heavy oil upgrading plant near Lloydminster, Saskatchewan. It was owned equally by CIC III and Husky Oil Ltd. with the annual capacity to produce approximately 20 million barrels of synthetic crude oil and 4 million barrels of recycled diluent annually.

Effective January 31, 1998, CIC III sold its 50.0 per cent interest in the project to Husky Oil Ltd. for $310.0 million, resulting in a gain of $94.3 million. Of the sales proceeds, $155.0 million was received on February 19, 1998, and the balance was received on January 29, 1999. All aspects of the divestiture are complete.

Saskfor MacMillan Limited Partnership ("SMLP"). Prior to its sale in 1999, SMLP was an equal partnership with MacMillan Bloedel Limited and CIC Forest Products Ltd., a wholly-owned share capital subsidiary of CIC III. SMLP operated three mills: an Oriented Strand Board ("OSB") mill at Hudson Bay with an annual capacity of 211 million square feet of 3/8 inch OSB; a plywood mill at Hudson Bay with an annual capacity of 86 million square feet of 3/8 inch plywood; and, a sawmill at Carrot River with an annual capacity of 63 million foot board measure of eight and ten foot dimension lumber.

Effective March 31, 1999, CIC III sold its 50.0 per cent interest in SMLP to MacMillan Bloedel Limited for sales proceeds of $91.8 million, resulting in a gain on sale of $30.4 million. MacMillan Bloedel Limited immediately began construction of a new OSB mill in Hudson Bay, Saskatchewan.

SMLP's contribution to CIC's consolidated earnings for the year ended December 31, 1999 was $3.0 million compared to $9.7 million in 1998.

Other Investments

CIC holds shares in one major publicly traded corporation discussed below.

Cameco Corporation ("Cameco"). Cameco is one of the world's largest, low-cost uranium mining and processing companies. Its head office is in Saskatoon. Its uranium products are used to generate electricity in nuclear plants around the world. It also has a significant presence in gold exploration and mining. CIC assumed the former Saskatchewan Mining Development Corporation's ("SMDC") ownership in Cameco after SMDC's wind-up in 1993. Various share transactions have reduced CIC's ownership to 5.4 million shares, representing a 9.5 per cent interest at December 31, 1999.

In 1999, CIC received $2.7 million in dividends from Cameco.

Investment Portfolio. In addition, CIC manages a portfolio of small and medium sized loans and a small property portfolio. The combined value of those portfolios at December 31, 1999 was $48.5 million

Major Wholly-Owned Subsidiary

CIC Industrial Interests Inc. ("CIC III"). CIC III, a share capital corporation incorporated under *The Business Corporations Act (Saskatchewan)*, is a wholly-owned subsidiary of CIC. CIC III was created as a vehicle to own certain investments in entities of a commercial nature which involved some degree of private ownership. CIC III's major investments include MLPLP through CIC Pulp Ltd., Saskferco and SMLP through CIC Forest Products Ltd. prior to its sale effective March 1999. CIC III also holds various debt instruments, including one to HARO.

CIC III reported net earnings of $43.3 million in 1999 compared to $90.2 million in 1998. Excluding gains on the sale of investments, CIC III's earnings from ongoing operations were $12.7 million (1998 - $4.4 million loss). The $17.1 million improvement was primarily due to a lower provision for investment losses, partly offset by lower interest revenue and earnings from equity investments.

Gains on the sale of investments of $30.6 million in 1999 (1998 - $94.5 million) were primarily related to the sale of SMLP to MacMillan Bloedel Ltd. effective March 31, 1999. CIC III, through its wholly-owned subsidiary CIC Forest Products Inc., sold its 50 per cent interest in SMLP for net proceeds of $91.8 million and a gain of $30.2 million. The $94.5 million gain on sale of investments in 1998 arose from CIC III's divestiture of its interest in Bi-Provincial to Husky Oil Operations Ltd. Net proceeds from sales of CIC III assets are applied to reduce non-interest bearing advances from CIC.

Revenue from ongoing operations was $14.7 million (1998 - $28.9 million). Lower interest income and earnings from equity investments accounted for the majority of the $14.2 million decrease. Interest revenue totalled $6.9 million in 1999 (1998 - $16.3 million). The $9.4 million decrease was mainly due to HARO's repayment of a $149.5 million loan. This loan generated interest income of $9.0 million in 1998. Earnings from equity investments were $6.9 million (1998 - $11.2 million). The $4.3 million decrease reflects the sale of Bi-Provincial and SMLP, along with equity losses from Western Canadian Beef Packers ("WCBP") and Saskferco. Offsetting these in part were equity earnings of $10.6 million from CIC III's 50 per cent interest in MLPLP compared to equity losses of $16.6 million in 1998. The following summarizes CIC III's share of earnings (losses) from major equity investments in 1999:

	Millions
Saskferco Products Inc.	$ (2.2)
CIC Forest Products Ltd. (SMLP)	3.0
Western Canadian Beef Packers (WCBP)	(4.9)
CIC Pulp Ltd. (MLPLP)	10.6
Other	0.4
	$ 6.9

Expenses were $2.0 million (1998 - $33.3 million). This $31.3 million decrease was due to a lower provision for investment losses. In 1998, CIC III increased the provision related to its loans to MLPLP by $30.0 million.

CIC III used the HARO loan repayment, SMLP and Bi-Provincial sale proceeds along with cash flow from dividends, properties, loans and debentures to repay $401.7 million (1998 - $111.1 million) of advances to CIC during the year. CIC's non-interest bearing advances to CIC III declined to $161.9 million as at December 31, 1999 (1998 - $563.6 million), a 71 per cent reduction.

CIC III's total assets decreased by $359.9 million to $552.1 million at December 31, 1999. The decrease was largely the result of a $158.9 million decrease in accounts receivable primarily related to the receipt of sales proceeds (in January 1999) from Husky Upgrader and the retraction of a $149.5 million convertible debenture. On January 29, 1999, as a result of the retraction by Crown Life of $149.5 million of convertible debentures, HARO (the majority shareholder of Crown Life), repaid its $149.5 million convertible debenture plus accrued interest to CIC III. The repayment was related to the sale of substantially all of Crown Life's insurance operations to Canada Life.

Effective March 31, 2000, CIC III sold its interest in WCBP for $4.0 million, resulting in a loss on sale of $1.7 million.

Crown Investments Corporation of Saskatchewan

Consolidated Statement of Financial Position

	At December 31				
	1995	1996	1997	1998	1999
			(Thousands)		
Assets					
Current	$ 750,874	$ 1,198,071	$ 792,450	$ 922,505	$ 915,064
Long term investments	1,484,582	1,237,859	1,147,256	1,120,673	1,036,935
Capital assets	5,273,126	5,269,590	5,212,612	5,059,987	5,071,592
Other assets	289,002	276,559	296,102	397,516	302,885
Total Assets	$ 7,797,584	$ 7,982,079	$ 7,448,420	$ 7,500,681	$ 7,326,476
Liabilities and Province's Equity					
Current	$ 1,330,488	$ 1,364,408	$ 969,479	$ 1,067,787	$ 977,382
Long term debt	3,985,880	3,781,294	3,249,337	3,072,081	2,907,121
Deferred revenue and other liabilities	261,497	291,107	440,689	469,928	502,758
Province of Saskatchewan's Equity	2,219,719	2,545,270	2,788,915	2,890,885	2,939,215
Total Liabilities and Province's Equity	$ 7,797,584	$ 7,982,079	$ 7,448,420	$ 7,500,681	$ 7,326,476

Crown Investments Corporation of Saskatchewan

Consolidated Statement of Operations

	At December 31				
	1995	1996	1997	1998	1999
			(Thousands)		
Revenue					
Sales of products and services	$ 2,595,964	$ 2,909,097	$ 2,800,401	$ 2,546,987	$ 2,719,561
Investment	120,652	102,099	82,539	99,707	49,849
Other	35,510	31,721	32,629	37,672	34,425
Total Revenue	$ 2,752,126	$ 3,042,917	$ 2,915,569	$ 2,684,366	$ 2,803,835
Expenses					
Operating costs other than those listed below	$ 1,677,549	$ 1,921,935	$ 1,765,849	$ 1,625,248	$ 1,879,256
Interest	466,537	422,484	376,876	367,080	317,415
Amortization of capital assets	362,769	381,978	406,175	371,156	379,917
Saskatchewan taxes and resource payments	88,574	90,652	89,422	83,857	75,300
Total Expenses	2,595,429	2,817,049	2,638,322	2,447,341	2,651,888
Earnings before the following	156,697	225,868	277,247	237,025	151,947
Non-recurring items	84,091	515,382	16,398	107,445	63,883
Net Earnings	$ 240,788	$ 741,250	$ 293,645	$ 344,470	$ 215,830

(see accompanying notes)

CROWN INVESTMENTS CORPORATION OF SASKATCHEWAN

Notes to Financial Information

1. The foregoing financial information is unaudited but has been derived from the audited consolidated financial statements of Crown Investments Corporation of Saskatchewan. The foregoing narrative description is unaudited.

2. In 1995, CIC retroactively adopted the proportionate consolidation method of accounting for its interests in jointly controlled enterprises. The change reflects the Corporation's pro-rata share of assets, liabilities, revenues and expenses without any effect on prior years' income or reinvested earnings.

3. Certain other of the 1997 comparative figures have been reclassified to conform with the current year's presentation.

GOVERNMENT OF SASKATCHEWAN SUMMARY FINANCIAL STATEMENTS

The 1999-2000 Public Accounts includes the Government's summary financial statements. The Government's summary financial statements provide a full accounting of the financial affairs and resources of all entities for which the Government is responsible. The financial transactions of the General Revenue Fund, provincial Crown corporations, agencies, boards and commissions are included in the Government's summary financial statements.

The Government's summary financial statements for the year ended March 31, 2000, are reproduced in whole commencing on page 61.

Government of Saskatchewan
Responsibility for Summary Financial Statements

The Government is responsible for the Summary Financial Statements. The Government maintains a system of accounting and administrative controls to ensure that accurate and reliable financial statements are prepared and to get reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are maintained.

The Provincial Comptroller prepares these statements following the Government's stated accounting policies and using the Government's best estimates and judgement when appropriate. He uses information from the accounts of the General Revenue Fund, Crown corporations, agencies, and other funds to prepare these statements.

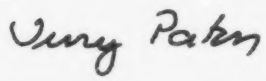
The Provincial Auditor expresses an independent opinion on these statements. His report states the scope of his audit and opinion and appears on the following page.

Treasury Board approves the Summary Financial Statements. The Minister of Finance tables the statements in the Legislative Assembly as part of the Public Accounts. The Legislative Assembly refers the Public Accounts to the Standing Committee on Public Accounts for review.

On behalf of the Government of the Province of Saskatchewan.

Eric Cline
Minister of Finance

Paul Boothe
Deputy Minister of Finance



Terry Paton
Provincial Comptroller

Regina, Saskatchewan
June 2000

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have audited the summary statement of financial assets, liabilities, and accumulated deficit of the Government of Saskatchewan as at March 31, 2000 and the summary statements of revenue, expenditure, and accumulated deficit and operating, investing and financing activities for the year then ended. These financial statements are the responsibility of Treasury Board. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these summary financial statements present fairly, in all material respects, the financial position of the Government of Saskatchewan as at March 31, 2000 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles for governments recommended by The Canadian Institute of Chartered Accountants.

Regina, Saskatchewan
June 5, 2000

Fred Wendel, CMA, CA
Acting Provincial Auditor

Government of Saskatchewan
Summary Statement of Financial Assets, Liabilities, and Accumulated Deficit
As at March 31, 2000

Schedule		(thousands of dollars) 2000	1999 (Restated)
	Financial Assets		
	Cash and temporary investments (note 2)	$ 806,325	$ 543,198
	Prepaid expenditures	15,978	15,505
1	Accounts receivable	802,262	489,685
	Inventories held for resale	5,729	6,241
	Land held for resale (note 3)	130,980	132,993
	Deferred charges	42,480	50,405
	Deferred foreign exchange loss	162,074	217,824
2	Loans and mortgages receivable	159,679	181,325
3	Investment in government enterprises	3,055,582	2,653,632
4	Other investments	735,512	728,064
	Total Financial Assets	5,916,601	5,018,872
	Liabilities		
5	Accounts payable and accrued liabilities	1,449,609	1,332,192
6	Other liabilities	721,535	400,300
	Unearned revenue	192,496	169,880
7,8 & 9	Public debt	8,176,819	8,210,814
	Pension liabilities (note 6)	3,801,046	3,749,028
	Total Liabilities	14,341,505	13,862,214
	Accumulated Deficit	$ (8,424,904)	$ (8,843,342)

(See accompanying notes)

Tangible capital assets (note 4)
Contingencies and commitments (notes 10 and 11)
10 Guaranteed debt

Government of Saskatchewan
Summary Statement of Revenue, Expenditure, and Accumulated Deficit
For the Year Ended March 31, 2000

Schedule		(thousands of dollars) 2000	1999 (Restated)
Revenue			
11	Taxation	$ 3,223,784	$ 3,155,160
11	Non-renewable resources	943,150	622,216
11	Gain on sale of investments	26,367	-
11	Other own-source revenue	882,614	783,525
11	Transfers from the federal government	1,553,575	1,087,441
Total Revenue		6,629,490	5,648,342
Expenditure			
	Agriculture	692,655	323,353
	Community development	158,324	159,390
	Debt charges	1,025,709	1,110,833
	Economic development	89,162	96,710
	Education	901,587	885,865
	Environment and natural resources	168,439	201,554
	Health	2,173,774	1,930,509
	Protection of persons and property	261,910	230,443
	Social services and assistance	785,054	747,102
	Transportation	273,232	271,729
	Other	255,620	260,271
Total Expenditure (note 8)		6,785,466	6,217,759
	Deficit from government service organizations	(155,976)	(569,417)
3	Income from government enterprises	574,414	697,723
Surplus for the Year		418,438	128,306
Accumulated deficit, beginning of year		(8,843,342)	(8,971,648)
Accumulated Deficit, End of Year (note 7)		$ (8,424,904)	$ (8,843,342)

(See accompanying notes)

Government of Saskatchewan
Summary Statement of Operating, Investing, and Financing Activities

For the Year Ended March 31, 2000

Schedule		(thousands of dollars) 2000	1999 (Restated)
Operating Activities			
	Surplus for the year	$ 418,438	$ 128,306
	Add (deduct) non-cash items		
3	(Income) Loss from government enterprises	(574,414)	(697,723)
	Amortization of foreign exchange gains and losses	5,973	9,173
12	(Gain) Loss on investments	(31,821)	35,528
	Provision for (reduction of) loan/mortgage losses	(14,958)	(17,832)
	Dividends received from investments	3,211	2,069
3	Dividends received from government enterprises	172,464	521,844
13	Net change in non-cash operating activities	(164,580)	298,696
Cash Provided by (Used for) Operating Activities		(185,687)	280,061
Investing Activities			
	Disposal (Acquisition) of land held for resale	2,013	(9,783)
	Net decrease (increase) in loans and mortgages receivable	36,604	88,806
	Acquisition of other investments	(64,653)	(43,564)
	Disposition of other investments	112,050	167,332
	Increase in other investments, beginning of year (note 15)	(26,235)	-
Cash Provided by Investing Activities		59,779	202,791
Financing Activities			
	Proceeds from public debt	1,349,994	299,551
	Repayment of public debt	(1,424,144)	(894,330)
	Increase in public debt, beginning of year (note 15)	89,932	-
	Increase in pension and other liabilities	373,253	61,484
Cash Provided by (Used for) Financing Activities		389,035	(533,295)
Increase (Decrease) in cash and temporary investments		263,127	(50,443)
Cash and temporary investments, beginning of year		543,198	593,641
Cash and Temporary Investments, End of Year		$ 806,325	$ 543,198

(See accompanying notes)

Government of Saskatchewan
Notes to the Summary Financial Statements
For the Year Ended March 31, 2000

1. Significant Accounting Policies

These Summary Financial Statements are prepared using accounting principles appropriate for government and reflect the following significant accounting policies:

a) Reporting entity

These financial statements report the financial activities of organizations which are accountable for the administration of their financial affairs and resources either to a Minister of the Government or directly to the Legislative Assembly and which are owned or controlled by the Government.

Trusts administered by the Government are excluded from the reporting entity.

A listing of organizations included in the reporting entity is provided in schedule 14. Unless otherwise noted, the financial activities of all subsidiaries of these organizations have also been included.

b) Method of consolidation

The accounts of all government organizations, except those designated as government enterprises are consolidated after adjusting them to a basis consistent with the accounting policies described in note 1(c). These organizations are referred to as government service organizations. Significant inter-organization accounts and transactions are eliminated.

Government enterprises are defined as self-sufficient organizations that have the financial and operating authority to sell goods and services to individuals and non-government organizations as their principal activity.

Government enterprises are recorded using the modified equity method. The Government's investment, which is initially recorded at cost, is adjusted annually to include the net earnings/losses and other net equity changes of the enterprise without adjusting them to conform with the accounting policies described below. Inter-organization accounts and transactions are not eliminated.

Financial results of government organizations whose fiscal year-ends are not March 31 are not adjusted unless the effect of such an adjustment would be significant to the consolidated operating results.

c) Basis of accounting

The accrual basis of accounting is used and specifically expressed as follows:

Revenue

Revenues are recorded on the accrual basis except for receipts from the federal government for corporate and personal income taxes, which are recorded on the cash basis.

Expenditure

Expenditures are recorded on the accrual basis and include the cost of tangible capital assets and inventories of supplies acquired during the year.

Assets

Financial assets are those assets on hand at the end of an accounting period which could provide resources to discharge existing liabilities or finance future operations.

Temporary investments are recorded at cost which approximates market value.

Inventories held for resale are recorded at the lower of cost and net realizable value. ***Inventories of supplies*** are recorded as an expenditure in the period acquired.

Land held for resale is valued at the lower of cost or net realizable value, on an aggregate basis.

Deferred charges include issue costs and net discounts or premiums incurred on the issue of long-term debt. They are recorded at cost and amortized on a straight line basis over the remaining life of the debt issue.

Deferred foreign exchange loss includes net unrealized foreign exchange gains and losses resulting from the conversion of debentures due and sinking funds held in a foreign currency to the Canadian dollar equivalent at the exchange rate in effect at March 31. Realized foreign exchange gains and losses are included in the surplus or deficit for the year. Unrealized foreign exchange gains and losses are amortized on a straight line basis over the remaining life of the debt issue.

Loans receivable are initially recorded at cost. Where there has been a loss in value that is other than a temporary decline, the loan is written down to recognize the loss.

Other investments are made up of equity investments, which include government business partnerships, portfolio investments, bonds and debentures, and property holdings. Other investments are accounted for by various methods as described below and are written down to their fair value when there is evidence of a permanent decline in their value.

Equity investments exist when the Government holds shares of private or public companies and exercises significant influence but has less than a controlling interest or has shared control, as in government business partnerships. These investments are accounted for by the modified equity method. Using this method, the carrying value of the investment is adjusted for the Government's share of the investee's net earnings or losses and reduced by dividends received from these shares.

Government business partnerships are equity investments where there is a contractual arrangement between the Government and a party outside the reporting entity and where the partners share on an equitable basis the significant risks and benefits associated with operating the partnership. The partnership is a self-sufficient organization that has the financial and operating authority to sell goods and services to individuals and non-government organizations as its principal activity. Government business partnerships are recorded using the modified equity method.

Portfolio investments exist when the Government holds shares of private or public companies and the Government does not exercise significant influence. Portfolio investments are recorded at cost and dividends from these shares are recorded as income when receivable.

Bonds and debentures are recorded at amortized cost.

Tangible capital assets held by government service organizations are recorded as an expenditure in the period acquired. Capital assets held by government enterprises, as disclosed on schedule 3, are generally recorded at cost and amortized on a straight line basis over the estimated productive life of each asset.

Liabilities

Reported liabilities include obligations to outside organizations and individuals as a result of transactions and events occurring prior to year end. They are the result of financial obligations to repay borrowing or to pay for goods and services acquired prior to year end, and of revenue, received or receivable, where goods or services will be delivered in the future.

Unearned revenue is revenue that will be earned in a subsequent fiscal year and includes revenue for Crown mineral leases, licence and service fees and restricted funding from other organizations.

Public debt consists of promissory notes, debentures and bank indebtedness of government service organizations which are recorded net of amounts reimbursable from government enterprises. Public debt is recorded at par. Premiums, discounts and issue costs are recorded as deferred charges and amortized on a straight line basis over the remaining life of the debt issue.

Certain debenture issues require contributions to a sinking fund. These obligations are recorded at principal less sinking fund balances where applicable. Premiums and discounts on long-term investments within the sinking fund are amortized by the type of security on a constant yield basis.

Debt issues and sinking funds' investments held in foreign currencies are converted to the Canadian dollar equivalent at the exchange rate in effect at March 31.

Where borrowing is used to finance loans to government enterprises, all expenses are charged directly to government enterprises.

Pension liabilities are calculated using the projected benefit method prorated on services. Pension fund assets are valued at market related values. Changes in the pension liabilities as a result of estimation adjustments due to experience gains and losses and changes in actuarial assumptions are amortized on a straight line basis over the expected average remaining service life of the related employee group. Gains or losses as a result of plan amendments are recognized in the period of the plan amendment.

Guaranteed debt includes guarantees of the Government made through specific agreements or legislation to repay promissory notes, bank loans, lines of credit, mortgages and other securities. Loss provisions on guaranteed debt are recorded when it is likely that a loss will occur. The amount of the loss provision represents the Government's best estimate of future payments less recoveries. The loss provision is recorded as a liability and an expenditure in the year determined and is adjusted as necessary to ensure it equals the expected payout of the guarantee.

Government of Saskatchewan
Notes to the Summary Financial Statements

2. Cash and Temporary Investments

Temporary investments are generally for less than 30 days, and have an average effective interest rate of 5.32 per cent.

3. Land Held for Resale

The estimated net realizable value of the Government's land held for resale at March 31, 2000 is $229.4 million (1999 - $241.3 million).

4. Tangible Capital Assets

The Government has a significant investment in tangible capital assets that have a useful life of greater than one year. For government service organizations, tangible capital assets are recorded as an expenditure in the period acquired and are not included in the Statement of Financial Assets, Liabilities, and Accumulated Deficit. These assets are a key component in the delivery of government programs and provide on-going value to the public.

In the current year, government service organizations acquired tangible capital assets costing $191.3 million (1999 - $178.2 million). The following table includes the tangible capital assets held by government service organizations and does not include assets acquired by right, heritage assets and certain assets available for public use.

(thousands of dollars)

	2000							1999 (Restated[3])
	Land	Buildings	Machinery & Equipment	Vehicles	Capital Leases	Other [1]	Total	Total
Estimated useful life	*Indefinite*	*5 - 50 years*	*2 - 40 years*	*3 - 15 years*	*Varies*	*2 - 50 years*		
Opening cost	$70,379	$1,628,964	$492,422	$144,076	$68,744	$128,291	$2,532,876	$2,421,944
Adjustment to opening cost (note 15)	5,024	394,405	149,968	924	-	12,430	562,751	-
Reclassification[2]	-	4,839	9,442	652	-	(14,933)	-	-
Additions	1,606	69,451	83,237	13,070	107	23,779	191,250	178,208
Write-downs	-	(283)	-	-	-	(250)	(533)	(1,172)
Disposals	(29)	(3,190)	(25,679)	(10,554)	(881)	(8,140)	(48,473)	(66,104)
Closing cost of tangible capital assets	76,980	2,094,186	709,390	148,168	67,970	141,177	3,237,871	2,532,876
Opening accumulated amortization	-	452,915	335,503	77,276	37,413	50,792	953,899	882,655
Adjustment to opening accumulated amortization (note 15)	-	157,377	104,833	649	-	4,156	267,015	-
Annual amortization	-	75,124	57,058	5,333	3,499	10,862	151,876	112,891
Write-downs	-	(238)	-	(10)	-	(217)	(465)	(691)
Disposals	-	(2,833)	(23,234)	(7,811)	(881)	(7,641)	(42,400)	(40,956)
Closing accumulated amortization	-	682,345	474,160	75,437	40,031	57,952	1,329,925	953,899
Net Book Value of Tangible Capital Assets	$76,980	$1,411,841	$235,230	$72,731	$27,939	$83,225	$1,907,946	$1,578,977

[1] Includes: construction in progress, computer software, furniture and office equipment, aircraft and other tangible capital assets.
[2] Includes the reclassification of construction in progress completed during the period.
[3] Restated to include the tangible capital assets of the Saskatchewan Grain Car Corporation (net book value $30.3 million).

Government of Saskatchewan
Notes to the Summary Financial Statements

5. Measurement Uncertainty

Uncertainty in the determination of the amount at which an item is recognized in financial statements is known as measurement uncertainty. Such uncertainty exists when there is a variance between the recognized amount and another reasonably possible amount.

Measurement uncertainty exists in these financial statements in the accrual of pension obligations, non-renewable resources royalties, site restoration obligations, accident claims obligations, the federal government's Equalization and Canada Health and Social Transfer payments, and in the valuation of loans where repayment is contingent upon an organization's cash flows. The uncertainty arises from factors such as the effect on accrued pension obligations of actual experience compared to actuarial estimations and assumptions; the effect on accrued royalties of price and production sensitivities in the royalty structures; the effect on site restoration obligations of actual experience compared to historical estimations and assumptions; the effect on accrued accident claims obligations of actual experience compared to actuarial estimations and assumptions; the effect on transfers from the federal government of changes in economic and demographic conditions in the Province and the country; and the effect of commodity prices on cash flows. Management considers that it is reasonably possible that changes in future conditions in the near term could require a material change in the amounts recognized. Near term is defined as a period of time not to exceed one year from the date of the financial statements.

6. Pension Liabilities

The Government of Saskatchewan sponsors several defined benefit and defined contribution pension plans for a significant number of its employees and for members of the Legislative Assembly.

Defined benefit pension plans provide benefits based on length of service and pensionable earnings. A typical defined benefit pension plan provides pensions equal to 2 per cent of a member's average five years highest salary, multiplied by the years of service to a maximum of 35 years. Members contribute a percentage of salary, which may vary based on age, to their pension plan. Pensions and contribution rates are integrated with the Canada Pension Plan.

Actuarial valuations are performed at least triennially. These valuations are extrapolated by an actuary when a valuation is not done in the current fiscal year. Valuations are based on a number of assumptions about future events, such as inflation rates, interest rates, wage and salary increases and employee turnover and mortality. These assumptions reflect estimates of expected long-term rates and short-term forecasts. The long-term inflation rate is estimated between 3.25 and 4.00 per cent, other estimates vary based on the individual plan.

The accrued benefit obligation is determined using the projected benefit method prorated on services. Pension fund assets are valued at market related values based on actual market values averaged over a five year period. In the periods between valuations, the actuary estimates the market related value of pension fund assets using expected long-term rates of return for the individual plans.

Defined contribution plans provide pensions based on accumulated contributions and investment earnings. Employees contribute a percentage of salary. The Government matches employee current service contributions.

Pension fund assets of government sponsored defined benefit and defined contribution pension plans are invested in fixed income securities, equities, real estate and short-term monetary items. The investment in Government of Saskatchewan securities is insignificant for all plans.

a) Government Service Organizations

Defined benefit pension plans

The two main plans of government service organizations are the Teachers' Superannuation Plan (TSP) and the Public Service Superannuation Plan (PSSP). Other plans include Members of the Legislative Assembly Superannuation Plan (MLA), Judges of the Provincial Court Superannuation Plan (Judges), Saskatchewan Transportation Company Employees Superannuation Plan, Anti-TB League Employees Superannuation Plan and the Saskatchewan Pension Annuity Fund, an annuity underwriting operation.

The TSP provides inflation protection equal to 80 per cent of the annual increase in the Consumer Price Index. Other plans provide inflation indexing at the discretion of the Lieutenant Governor in Council.

The Government is required to match member current service contributions for all plans except Judges and the PSSP. Separate pension funds are maintained for all plans except the PSSP. PSSP member contributions are deposited into the General Revenue Fund. All pension obligations arising under the PSSP are paid from the General Revenue Fund.

Government of Saskatchewan
Notes to the Summary Financial Statements

Information on the defined benefit pension plans of government service organizations follows:

	2000				1999
	TSP	PSSP	Others	Total	Total
Plan status	closed	closed	closed[1]	n/a	n/a
Member contribution rate, percentage of salary	7.85	7.0 - 9.0[2]	5.0 - 9.0[2]	n/a	n/a
Number of active members	6,480	2,294	95	8,869	9,683
Average age of active members, years	48.0	50.2	54.1	48.6	48.5
Former members entitled to deferred pension benefits	16,386	158	11	16,555	18,196
Number of superannuates and surviving spouses	8,908	5,856	1,779	16,543	16,253
Member contributions (thousands of dollars)	$ 22,000	$ 6,296	$ 350	$ 28,646	$ 30,273
Government contributions (thousands of dollars)	90,000	–	4,802	94,802	97,332
Benefits paid (thousands of dollars)	195,884	89,567	6,311	291,762	285,420

[1] Judges is open to new membership, all other plans are closed.
[2] Contribution rate varies based on age upon joining the plan.

Based on the latest actuarial valuation, extrapolated to March 31, 2000, the present value of accrued pension benefits and the market related value of pension fund assets are shown in the table below:

(thousands of dollars)

		2000					1999
Plan Name	Actuarial Valuation Date	Accrued Benefit Obligation	Pension Fund Assets	Net Obligation	Unamortized Estimation Adjustments[1]	Recorded Pension Liabilities	Recorded Pension Liabilities
TSP[2]	Jun. 30/97	$ 3,776,000	$ 1,535,000	$ 2,241,000	$ 267,353	$ 2,508,353	$ 2,476,931
PSSP	Sept. 30/99	1,507,742	—	1,507,742	(277,256)	1,230,486	1,209,648
Others	Various	183,170	105,855	77,315	(15,108)	62,207	62,449
Total		$ 5,466,912	$ 1,640,855	$ 3,826,057	$ (25,011)	$ 3,801,046	$ 3,749,028

[1] Amortized to income over 1 - 13 years (1999, 1 - 13 years), the estimated average remaining service life of active plan members at the time the estimation adjustment arises.
[2] The TSP accrued benefit obligation includes a liability of $63.0 million (1999 - $67.0 million) relating to the TSP disability provision.

At March 31, 2000, the market value of plan investments was $2.0 billion (1999 - $1.9 billion). Of this amount, 47.9 per cent (1999 - 50.7 per cent), was invested in fixed income securities and 48.4 per cent (1999 - 45.8 per cent) in equity investments.

Defined contribution pension plans

The two main multi-employer defined contribution pension plans sponsored by the Government are the Public Employees Pension Plan (PEPP) and the Capital Pension Plan (Capital). The Government matches employee current service contributions to these plans. The Government also contributes to the Saskatchewan Teachers' Retirement Plan (STRP), sponsored by the Saskatchewan Teachers' Federation. The Government has fully funded its share of contributions to the defined contribution plans.

Information on the defined contribution pension plans of government service organizations follows:

	2000				1999
	Government Sponsored				
	PEPP	Capital	STRP	Total	Total
Plan status	open	open	n/a	n/a	n/a
Member contribution rate, percentage of salary	5.0-5.75[1]	5.5	n/a	n/a	n/a
Government Service Organization participation:					
Number of active members	18,554	579	n/a	19,133	16,934
Number of inactive members	7,153	13	n/a	7,166	6,513
Member contributions (thousands of dollars)	$ 29,863	$ 1,323	n/a	$ 31,186	$ 26,591
Government contributions (thousands of dollars)	29,260	1,422	$ 20,076	50,758	44,115

[1] Contribution rate varies based on employee group.

Pension expenditure

Pension expenditure for government service organizations is reported in the Summary Statement of Revenue, Expenditure, and Accumulated Deficit in both education expenditure and other expenditure. Pension interest expenditure is reported in debt charges. The total pension related expenditure of government service organizations includes the following:

	(thousands of dollars)	
	2000	1999
Defined benefit pension plans:		
Current period benefit cost	$ 66,884	$ 62,569
Amortization of estimation adjustments	(48,731)	(16,232)
	18,153	46,337
Employee contributions	(28,646)	(30,273)
Pension expenditure	(10,493)	16,064
Cost of financing unfunded pension obligation (pension interest expenditure)	240,584	244,813
Total pension related expenditure, defined benefit plans	230,091	260,877
Defined contribution pension plans:		
Total pension related expenditure, defined contribution plans	50,758	44,115
Total pension related expenditure	$ 280,849	$ 304,992

b) Government Enterprises

Defined benefit pension plans

The two main defined benefit pension plans of government enterprises are the Power Corporation Superannuation Plan (SaskPower) and the Saskatchewan Telecommunications Pension Plan (SaskTel). Other pension plans include Saskatchewan Government Insurance Superannuation Plan, Liquor Board Superannuation Plan, and the Workers' Compensation Board Superannuation Plan.

The Government contributes the amount necessary to fund the payment of pension benefits.

At December 31, 1999, the market value of plan investments was $1.6 billion (1998 - $1.5 billion). Of this amount, 40.0 per cent (1998 - 42.7 per cent) was invested in fixed income securities and 48.6 per cent (1998 - 44.9 per cent) in equity investments.

Information on the defined benefit pension plans of government enterprises follows:

	2000				1999 (Restated)
	SaskPower	SaskTel	Others	Total	Total
Plan status	closed	closed	closed	n/a	n/a
Member contribution rate, percentage of salary	6.0 - 9.0[1]	7.0 - 9.0[2]	6.5 - 9.0[2]	n/a	n/a
Number of active members	718	981	187	1,886	1,980
Number of former members, superannuates and surviving spouses	1,707	1,470	491	3,668	3,625
Member contributions (thousands of dollars)	$ 2,099	$ 3,029	$ 429	$ 5,557	$ 5,538
Government contributions (thousands of dollars)	560	–	1,090	1,650	1,826
Benefits paid (thousands of dollars)	37,796	34,538	7,267	79,601	78,679

[1] Contribution rate varies based on age upon joining the plan and employee group.
[2] Contribution rate varies based on age upon joining the plan.

Based on the latest actuarial valuations extrapolated to December 31, 1999, the present value of accrued pension benefits and the market related value of pension fund assets are shown in the table below.

(thousands of dollars)

Plan Name	Actuarial Valuation Date	2000 Accrued Benefit Obligation	2000 Pension Fund Assets	2000 Pension (Surplus) Liability	1999 Pension (Surplus) Liability
SaskPower	September 30, 1999	$ 633,477	$ 680,389	$ (46,912)	$ (57,459)
SaskTel	December 31, 1998	620,033	770,151	(150,118)	(126,349)
Others	Various	111,953	92,407	19,546	18,363
Total		$ 1,365,463	$ 1,542,947	$ (177,484)	$ (165,445)

Defined contribution pension plans

Information on the defined contribution pension plans of government enterprises follows:

	2000 PEPP	2000 Capital	2000 Total	1999 Total
Plan status	open	open	n/a	n/a
Member contribution rate, percentage of salary	4.0-6.0[1]	5.5	n/a	n/a
Number of active members	7,586	1,962	9,548	8,903
Number of inactive members	2,071	58	2,129	1,957
Member contributions (thousands of dollars)	$ 18,469	$ 3,635	$ 22,104	$ 16,570
Government contributions (thousands of dollars)	13,445	3,566	17,011	16,905

[1] Contribution rate varies based on employee group.

Pension expense

Pension expense and pension interest expense for government enterprises are reported in the Summary Statement of Revenue, Expenditure, and Accumulated Deficit as a component of income from government enterprises.

7. Reserves

The accumulated deficit of $8,424.9 million consists of an unallocated deficit component of $8,436.8 million and the Environmental Protection Reserve of $11.9 million. The Environmental Protection Reserve was created to provide contingency funding to mitigate unforeseen environmental problems related to uranium milling. The reserve is maintained at its March 31, 1992 balance.

8. Expenditures by Object

Expenditures by object are reported as follows:

(thousands of dollars)

	2000	1999 (Restated)
Transfers	$ 2,663,937	$ 2,243,346
Salaries and benefits	1,763,396	1,587,282
Debt charges	1,025,709	1,110,833
Operating costs	960,961	914,772
Tangible capital asset acquisitions	191,250	178,208
Other	180,213	183,318
Total Expenditures	$ 6,785,466	$ 6,217,759

Government of Saskatchewan
Notes to the Summary Financial Statements

9. Comparison of Planned to Actual Results

A comparison of planned to actual surplus is as follows:

(thousands of dollars)

	2000		1999
	Planned	Actual	Actual
General Revenue Fund surplus for the year	$ 8,346	$ 83,479	$ 27,862
Government enterprises' income for the year		574,414	697,723
Other government service organizations' surplus for the year		144,271	428,631
Dividends received from government organizations included in the surplus figures above		(297,464)	(781,844)
Adjustments to conform to the basis of accounting described in note 1(c)		(86,262)	(244,066)
Surplus for the Year		$ 418,438	$ 128,306

The planned and actual figures are before elimination of inter-organization transactions.

10. Contingencies

a) Guaranteed debt

At March 31, 2000, $451.2 million (1999 - $549.3 million) in loans were guaranteed by the Government. Schedule 10 provides a listing of guaranteed debt.

b) Lawsuits

Up to $48 million may be paid depending on the outcome of lawsuits in progress.

c) Indian and Northern Affairs Canada

The Government pays for certain social services provided to status Indians and submits claims to the federal government for the cost of these services. The Government believes these costs are the responsibility of the federal government and believes they are fully reimbursable. However, the federal government denies responsibility for a portion of these costs.

The Government is unable to determine whether or not the outstanding amounts will be reimbursed. The Government will account for any recovery resulting from the resolution of this contingency at the time of settlement. No provision for such a recovery has been made in these financial statements.

11. Commitments

Major financial commitments include:

- forward purchase commitments of $1,862 million for coal contracted for future minimum deliveries valued at current prices;
- forward purchase commitments of approximately $2,000 million for power over the next 24 years;
- treaty land entitlement agreement commitments valued at approximately $98.3 million;
- other commitments of $704.1 million which include commitments of $35.5 million for agriculture, $7.5 million for community development, $42.4 million for economic development, $55.7 million for education, $2.4 million for environment and natural resources, $41.5 million for health, $134.7 million for social services and assistance, and $52.2 million for transportation; and,

- capital and operating lease obligations as follows:

	(thousands of dollars)	
	Operating	Capital
Future minimum lease payments		
2000-01	$ 52,077	$ 13,224
2001-02	51,934	12,891
2002-03	47,465	12,519
2003-04	39,601	11,958
2004-05	35,088	11,450
Thereafter	29,222	60,081
	255,387	122,123
Less: Interest and executory costs	-	(70,497)
Total Lease Obligations	$ 255,387	$ 51,626

Total operating lease obligations include $136.7 million for government service organizations and $118.7 million for government enterprises.

Total capital lease obligations relate entirely to government service organizations (schedule 5).

12. Trust Funds

Trust funds are property held and administered on behalf of beneficiaries. Trust assets are not owned by the Government and the Government has no equity in the funds. Therefore, trust funds are not included in the reporting entity.

Fund balances held and administered by the Government at March 31, 2000, were as follows:

	(thousands of dollars)	
	2000	1999
Superannuation funds and pension plans[1]	$ 7,668,218	$ 7,024,751
Public Trustee's Trust Account	143,860	132,503
Other trusts	41,690	37,273
Total Trust Funds	$ 7,853,768	$ 7,194,527

[1] The balance reflects the latest financial statements of the funds and plans closest to March 31, 2000.

13. Uncertainty Due to the Year 2000 Issue

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems which use certain dates in 1999 to represent something other than a date. Although the change in date has occurred, it is not possible to conclude that all aspects of the Year 2000 Issue that may affect the Government, including those related to customers, suppliers, or other third parties, have been fully resolved.

14. Comparative Figures

Certain of the 1999 comparative figures have been reclassified to conform with the current year's presentation.

Government of Saskatchewan
Notes to the Summary Financial Statements

15. District Health Boards

During 1999-2000, it was determined that the relationship with District Health Boards (DHBs) had evolved to the point where they now meet the criteria for inclusion in the reporting entity. As a result, all thirty-two DHBs have been included in these statements. The effect of including the DHBs has been reflected in the current period, and the financial statements of prior years in which only three DHBs were included have not been restated. Including the additional twenty-nine DHBs had the following effect on current period results:

	(thousands of dollars)
	Increase (Decrease)
Financial assets	$ 118,201
Liabilities	146,528
Accumulated deficit, end of year	(28,327)

In addition, the opening net book value of tangible capital assets disclosed in note 4 increased by $295.7 million.

Government of Saskatchewan
Schedules to the Summary Financial Statements
For the Year Ended March 31, 2000

Schedule 1 - Accounts Receivable

	(thousands of dollars)	
	2000	1999
Transfers from the federal government	$ 284,234	$ 33,373
Taxation	126,662	136,836
Non-renewable resources	103,379	69,928
Leases and farm loans	14,557	16,253
Insurance premiums due from agriculture producers	9,581	9,667
Accrued interest	6,823	4,742
Other	257,026	218,886
Total Accounts Receivable	$ 802,262	$ 489,685

Schedule 2 - Loans and Mortgages Receivable

	(thousands of dollars)	
	2000	1999
Agricultural loans		
Capital loan program	$ 92,687	$ 112,577
Short-term hog loan program	11,235	8,517
Production loan program	3,254	5,591
Livestock cash advance program	2,324	5,038
Counselling and Assistance for Farmers program	2,149	3,159
Other	1,020	3,605
	112,669	138,487
Provision for losses	(39,449)	(45,011)
	73,220	93,476
Student loans	13,926	21,596
Provision for losses	(9,256)	(13,953)
	4,670	7,643
Other loans	63,977	60,104
Provision for losses	(23,956)	(24,201)
	40,021	35,903
Mortgages		
Cornwall Centre	36,891	37,653
Housing	4,628	3,591
Other	249	3,059
	41,768	44,303
Total Loans and Mortgages Receivable	$ 159,679	$ 181,325

See page 77 for additional information.

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 2 (continued) - Loans and Mortgages Receivable

Capital loan program

Loans are repayable over terms not exceeding twenty-five years and bear interest at rates between 6.0 per cent and 13.5 per cent. Security on individual loans varies and may include mortgages on real property, security agreements and guarantees. The program operates under *The Agricultural Credit Corporation of Saskatchewan Act*.

Short-term hog loan program

Loan applications were accepted under this program between January 15, 1999 and July 5, 1999 for hogs marketed between November 1, 1998 and May 29, 1999. Loans bear interest at 5.06 per cent until January 1, 2000 and after January 1, 2000 are converted to floating rate loans. Penalty interest is charged at prime plus 2 per cent. All loans are repayable in full by March 31, 2003. The program operates under *The Farm Financial Stability Act*.

Production loan program

Production loans were disbursed in 1986 bearing interest at 6 per cent repayable in equal principal instalments over a term of three years. Amounts in arrears are at prime plus 2 per cent. Program amendments allowed borrowers to reschedule their outstanding loans at an average rate of 8.5 per cent. The loans are secured by promissory notes and, where applicable, by guarantees and general security agreements. The program operates under *The Agricultural Credit Corporation of Saskatchewan Act*.

Livestock cash advance program

Effective August 1, 1993, clients with livestock cash advances began repaying their loans, bearing interest at the bank prime rate plus 2 per cent, over a maximum five year period. Program amendments allowed borrowers to reschedule their outstanding loans at an average rate of 8.5 per cent. The loans are secured by promissory notes and, where applicable, by guarantees. The program operates under *The Agricultural Credit Corporation of Saskatchewan Act*.

Counselling and Assistance for Farmers program

Effective August 1, 1992, the Government no longer issued new guarantees under this program. Existing guarantees were renewed until March 31, 1995, at which time the program was terminated. The majority of loans are in default, have judgements obtained on them and bear interest at 5 per cent. The loans are secured by way of an assignment of security from the original lender. The program operates under *The Agricultural Credit Corporation of Saskatchewan Act*.

Student loans

The program operates under the authority of *The Student Assistance and Student Aid Fund Act, 1985*. Loans are interest free for a six month period following discontinuance of studies or graduation. Effective August 1, 2000, this incentive will no longer be available. Interest relief grants, which extend the interest-free period for up to 18 months, are provided to qualified applicants. Interest rates are prescribed by the Minister of Post-Secondary Education and Skills Training. Special incentive loan remission and/or loan forgiveness is granted to all students who meet specific criteria.

A Risk Sharing Student Loans Agreement between the Government and a bank was signed in March 1996. This Agreement covers loans approved between August 1, 1996 and July 31, 2001. The Government retains responsibility for loan approval. Loans approved are lender-financed, disbursed, managed and collected by the bank. The Government pays a risk premium of 5 per cent to the bank when loans become repayable.

An agreement between the Government and a bank that was in effect from October 1, 1997 to December 31, 1999, allowed the Government to transfer all loans which were not in default, had more than seven monthly payments outstanding, and were not receiving interest relief. As a part of the agreement, the Government paid a risk premium of 5 per cent to the bank when the loans transferred.

Cornwall Centre mortgages

The Government holds two mortgages due jointly from Cadillac Fairview Corporation Limited and 1381052 ONTARIO INC. These mortgages mature December 1, 2001 and are repayable in blended monthly installments with mortgage rates of 9.63 per cent and 11.63 per cent respectively.

Housing mortgages and loans

Housing mortgages and loans were provided pursuant to provisions of Section 15 of *The Saskatchewan Housing Corporation Act*. The loans and mortgages are repayable, at various interest rates, over terms not exceeding thirty-five years. Security on the loans and mortgages may include promissory notes or charges against residential property.

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 3 - Investment in Government Enterprises

		SaskEnergy Incorporated Dec. 31, 1999	Saskatchewan Power Corporation Dec. 31, 1999	Saskatchewan Telecom-munications Holding Corporation Dec. 31, 1999	Saskatchewan Liquor and Gaming Authority Mar. 31, 2000	Saskatchewan Gaming Corporation Mar. 31, 2000
Assets						
Cash and temporary investments						
Due from government organizations	$				673,570	
Other		(2,020)	44,872	(15,454)	849	17,252
Accounts receivable						
Due from government organizations			2,326			
Other		86,954	117,715	99,844	10,547	72
Inventories			90,571	8,468	14,675	165
Prepaid expenses		6,403	685	13,953	2,149	455
Long-term investments						
In the Province						
Other		5,027		68,278		
Capital assets		1,002,524	2,828,984	946,014	32,040	29,269
Other assets						
Due from government organizations						
Other		88,465	116,883	82,452	515	376
Total Assets		**1,187,353**	**3,202,036**	**1,203,555**	**734,345**	**47,589**
Liabilities						
Accounts payable and accrued liabilities						
Due to government organizations		19,454	65,627	7,062		19,816
Other		56,431	99,176	97,389	11,766	3,714
Dividends payable to government organizations		7,474	15,507	15,770		
Debt						
Owing to government organizations		725,816	1,542,250	403,049		
Other		4,816	176	5,775		24,059
Unearned revenue						
Received from government organizations		2,473				
Other		83,036	288,059	27,561		
Unpaid insurance claims						
Other liabilities				21	23,485	
Total Liabilities		**899,500**	**2,010,795**	**556,627**	**35,251**	**47,589**
Net Assets (Liabilities)	$	**287,853**	**1,191,241**	**646,928**	**699,094**	-
Revenue						
Revenue from operations	$	386,136	969,708	722,883	569,929	54,236
Transfers from government organizations		13,454	12,862	13,603		
Total Revenue		**399,590**	**982,570**	**736,486**	**569,929**	**54,236**
Expenses						
Expenses from operations		277,837	661,452	658,971	257,657	34,420
Transfers to government organizations		85,155	207,238	48,996		
Total Expenses[3]		**362,992**	**868,690**	**707,967**	**257,657**	**34,420**
Income (loss) before non-recurring items		36,598	113,880	28,519	312,272	19,816
Non-recurring items [4]				39,003		
Net Income (Loss) for the Year		**36,598**	**113,880**	**67,522**	**312,272**	**19,816**
Net assets (deficiency) - beginning, as previously reported		199,853	480,002	390,176	386,822	
Restatement of prior years						
Dividends to government organizations		(20,129)	(62,634)	(60,770)		(19,816)
Equity advances/share capital		71,531	659,993	250,000		
Net Assets (Deficiency) - End of Year	$	**287,853**	**1,191,241**	**646,928**	**699,094**	-

See page 80 for additional information.

[1] Adjustments include:
- reclassifying dividends paid by March 31, 2000;
- reversing the write-off of deferred financing costs reported by Saskatchewan Power Corporation;
- reversing the loss recognized by Municipal Financing Corporation for a premium paid on an exchange of debt with the General Revenue Fund and amortizing this same loss over the term of the original debt issues; and,
- recording, in the current period, the prior period impact of a change of accounting policy made by the Workers' Compensation Board.

(thousands of dollars)

Municipal Financing Corporation of Saskatchewan Dec. 31, 1999	Saskatchewan Government Insurance Dec. 31, 1999	Saskatchewan Auto Fund Dec. 31, 1999	Workers' Compensation Board (Saskatchewan)[2] Dec. 31, 1999	Other Government Enterprises	Adjustments [1]	Total 2000	Total 1999 (Restated)
						673,570	$ 368,602
76,201	27,886	66,160	32,960	3,990	(38,845)	213,851	203,003
		4,353				6,679	5,692
1,812	36,494	49,720	18,294	159		421,611	418,752
						113,879	113,338
	34,534	13,477				71,656	74,603
	3,925	6,695	4,513			15,133	28,003
33,463	227,720	500,515	781,362	11,953		1,628,318	1,467,200
	16,995	30,498	29,123	83		4,915,530	4,877,603
						-	-
					14,829	303,520	376,834
111,476	**347,554**	**671,418**	**866,252**	**16,185**	**(24,016)**	**8,363,747**	7,933,630
2,973	6,571	17,162	6,398			145,063	147,140
50	10,984	13,457	65,597	829		359,393	345,793
	94				(38,845)	-	-
87,491						2,758,606	2,815,967
3,500						38,326	78,061
						2,473	2,112
	91,120	177,683				667,459	627,219
	122,395	525,250	592,082			1,239,727	1,179,059
	3,733		69,879			97,118	84,647
94,014	**234,897**	**733,552**	**733,956**	**829**	**(38,845)**	5,308,165	$ 5,279,998
17,462	**112,657**	**(62,134)**	**132,296**	**15,356**	**14,829**	$ 3,055,582	$ 2,653,632
7,163	184,421	471,751	224,392	2,553	(4,758)	$ 3,588,414	$ 3,522,103
		2,896	13,313			56,128	57,181
7,163	**184,421**	**474,647**	**237,705**	**2,553**	**(4,758)**	3,644,542	3,579,284
548	167,752	418,255	179,137	3,728	1,125	2,660,882	2,460,072
7,997	6,561	26,904	6,398			389,249	399,191
8,545	**174,313**	**445,159**	**185,535**	**3,728**	**1,125**	3,050,131	2,859,263
(1,382)	10,108	29,488	52,170	(1,175)	(5,883)	594,411	720,021
(9,273)			(59,000)		9,273	(19,997)	(22,298)
(10,655)	**10,108**	**29,488**	**(6,830)**	**(1,175)**	**3,390**	574,414	697,723
28,117	56,646	(91,622)	139,126	16,548	11,432	1,617,100	1,441,221
						-	-
	(9,097)			(18)		(172,464)	(521,844)
	55,000			1	7	1,036,532	1,036,532
17,462	**112,657**	**(62,134)**	**132,296**	**15,356**	**14,829**	$ 3,055,582	$ 2,653,632

[2] Net assets are restricted as disclosed in the narrative portion of this schedule on the pages following.

[3] Total expenses include debt charges of $274.2 million (1999 - $292.9), of which $255.2 million (1999 - $260.5) were paid to government organizations.

[4] Non-recurring items include:

- a $39 million gain on the sale of the Government's 35% interest in Saturn Communications Limited held by Saskatchewan Telecommunications Holding Corporation;
- $36 million in rebates provided by the Workers' Compensation Board to qualified employers; and,
- a $23 million provision made by the Workers' Compensation Board for special legislated payments to qualifying dependent spouses.

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 3 (continued) - Investment in Government Enterprises

SaskEnergy Incorporated (SaskEnergy)

SaskEnergy promotes, transports, stores and distributes natural gas in Saskatchewan.

Saskatchewan Power Corporation (SaskPower)

SaskPower generates, purchases, transmits, distributes and sells electricity and related products and services.

Saskatchewan Telecommunications Holding Corporation (SaskTel)

SaskTel markets and supplies a range of voice, data, Internet, wireless, text and image products, systems and services. Through interconnection agreements with other Canadian telecommunication companies, SaskTel is part of the national and global communications network.

Saskatchewan Liquor and Gaming Authority (SLGA)

SLGA's main functions are to control the manufacturing and distribution of beverage alcohol throughout the Province, to oversee the licensing of all establishments selling alcohol in the Province, and to maintain the integrity of all licensed gaming while ensuring maximum benefit to Saskatchewan charities.

Saskatchewan Gaming Corporation (SGC)

SGC's mandate is to manage and operate Casino Regina.

Municipal Financing Corporation of Saskatchewan (MFC)

MFC assists municipalities in financing their capital requirements.

Saskatchewan Government Insurance (SGI) & Saskatchewan Auto Fund (Auto Fund)

SGI's competitive general insurance business, SGI CANADA, offers home, tenant, farm, automobile extension and commercial coverages.

The Auto Fund, the Province's compulsory vehicle insurance program, is administered by SGI on behalf of the Government. Any net assets of the Auto Fund are for the future benefit of Saskatchewan's motoring public and are not used for the payment of dividends to the General Revenue Fund.

Workers' Compensation Board (Saskatchewan) (WCB)

WCB provides workers' compensation insurance to Saskatchewan workers and employers. Any net assets of the WCB cannot be used for the payment of dividends to the General Revenue Fund.

Other Government Enterprises

Other government enterprises includes the following:

- **Saskatchewan Government Growth Fund Management Corporation (SGGF)**

  SGGF participates in the federal government's Immigrant Investor Program to acquire lower cost capital for investment in Saskatchewan on commercial terms. Investment funds are raised through eight subsidiary fund companies and are managed by SGGF.

- **Saskatchewan Forest Products Corporation (SFPC)**

  SFPC ceased to have active business operations in April 1995 following the execution of a sales agreement which facilitated the formation of Saskfor MacMillan Limited Partnership, a partnership between the Government and MacMillan Bloedel Limited. On December 22, 1999 SFPC ceased to exist and its remaining assets, liabilities and operations were transferred to Crown Investments Corporation of Saskatchewan (non-consolidated).

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 4 - Other Investments

	Voting Percentages	2000	1999 (Restated)
		(thousands of dollars)	
Equity Investments			
Government Business Partnerships			
Meadow Lake Pulp Limited Partnership			
partnership interest	50.0%	$ **(51,802)**	$ (62,831)
NewGrade Energy Inc.			
common shares	50.0%	**(56,613)**	(67,201)
Saskfor MacMillan Limited Partnership			
partnership interest	50.0%	**-**	61,040
Other Equity Investments			
Saskferco Products Inc.			
68,449,080 (1999 - 68,449,080) class B common shares	49.0%	**103,014**	108,249
Other		**18,722**	15,345
		13,321	54,602
Portfolio Investments			
Cameco Corporation			
5,423,123 (1999 - 5,423,123) common shares	9.5%	**114,898**	114,898
HARO Financial Corporation			
68,000,000 (1999 - 68,000,000) class B non-voting common shares	-	**68,000**	68,000
Other portfolio investments		**12,836**	12,914
		195,734	195,812
Bonds and Debentures			
HARO Financial Corporation		**204,740**	204,471
Meadow Lake Pulp Limited Partnership			
participating debentures		**148,361**	148,361
NewGrade Energy Inc.			
promissory notes		**18,421**	9,568
Other bonds and debentures		**40,261**	15,681
		411,783	378,081
Property Holdings		**114,674**	99,569
Total Other Investments		$ **735,512**	$ 728,064

See pages 82-84 for additional information.

Schedule 4 (continued) - Other Investments

Meadow Lake Pulp Limited Partnership (MLPLP)

The Government, through its wholly-owned subsidiary CIC Pulp Ltd., owns a 50 per cent (1998 - 50 per cent) interest in MLPLP.

In addition to its equity interest in MLPLP, the Government has also provided the following loans:

- The Participating Debenture of $99.0 million (1998 - $99.0 million) bearing interest at 11.15 per cent (1998 - 11.15 per cent) calculated on October 31 of each year.
- The Term Loan of $20.0 million (1998 - $20.0 million) bearing interest at prime plus 2.0 per cent, which is 8.5 per cent at December 31, 1999 (1998 - 8.75 per cent). Interest on this loan is being paid monthly.
- The Contingency Loan of $10.9 million (1998 - $10.9 million) bearing interest at prime plus 1.0 per cent which is 7.5 per cent at December 31, 1999 (1998- 7.75 per cent). Any interest outstanding and not paid on October 31 of each year is added to the principal balance.
- A guarantee advance of $8.0 million (1998 - $8.0 million) bearing interest at prime plus 1 per cent, which is 7.5 per cent at December 31, 1999 (1998 - 7.75 per cent).
- A cash flow loan of $10.5 million (1998 - $10.5 million) bearing interest at prime plus 1 per cent, which is 7.5 per cent at December 31, 1999 (1998 - 7.75 per cent).

The Government records, as a separate loan (Interest Loan), the accrued interest receivable from the Participating Debenture. Interest on the Interest Loan, at 11.15 per cent, is calculated on October 31 of each year and is added to the principal balance outstanding on the loan. Interest income earned and forming part of the Interest Loan is recorded as deferred interest income due to the timing uncertainty of collection. The deferred interest income will be recorded as income when payments are received under the cash availability formula.

Any payments to be made on the Participating Debenture, the Contingency Loan and the Interest Loan are subject to available cash flows as defined in the loan agreements. Payments towards principal outstanding on the Term Loan are due in two equal instalments after MLPLP has fully repaid an external bank loan. The Contingency Loan, Term Loan, Participating Debenture and Interest Loan mature in 2014. The remaining balance outstanding on the Interest Loan and Participating Debenture on October 31, 2014 shall bear interest at a rate equal to the short-term cost of borrowing for the Province of Saskatchewan, which at December 31, 1999 was 5.02 per cent (1998 - 4.95 per cent), until paid in full.

During 1999, the Government continued to work with MLPLP's other major lender to financially restructure MLPLP. This restructuring began in 1998 with the Government providing MLPLP with an $8.0 million advance under a bank loan guarantee and providing cash flow funding of $5.0 million. Similar to the Participating Debenture and Interest Loan, accrued interest on the Guarantee Advance and Cash Flow Loan is deferred due to the uncertainty of collection. Repayment terms will be determined once the final restructuring of MLPLP is complete.

The total deferred interest is $229.7 million (1998 - $188.9 million).

Due to the uncertainty of cash flows from MLPLP, the Government's Participating Debenture is shown net of a provision for loan losses of $60.0 million (1998 - $60.0 million).

NewGrade Energy Inc. (NewGrade)

The Government owns 50 per cent (1998 - 50 per cent) of the outstanding voting participating shares of NewGrade. The Government also holds certain promissory notes due on demand from NewGrade that bear interest at Bank of Montreal prime rate, which is 6.50 per cent (1998 - 6.75 per cent).

In addition, should there be any operating shortfall at the end of any year, the Government will loan NewGrade up to $2.0 million, escalated by inflation, in the form of a Subordinated Operations Fee Amount after Consumers Co-operative Refinery Ltd. (CCRL) has provided its $2.0 million Subordinated Operations Fee Amount. If these loans do not cover all cash shortfalls, then the Government will lend NewGrade up to $4.0 million as a Cash Flow Deficiency Loan on a pro-rata basis with CCRL. If this facility is exhausted, the Government will lend NewGrade the remainder to cover any other annual operating shortfalls. These loans, if any, will bear interest at CCRL's rate of borrowing. CCRL's required Cash Flow Deficiency Loans cannot exceed $40.0 million outstanding at any time.

During 1999, the Government provided $18.4 million to NewGrade under these agreements.

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 4 (continued) - Other Investments

Saskfor MacMillan Limited Partnership (Saskfor)

On May 14, 1999, the Government, through its wholly-owned subsidiary CIC Forest Products Limited, sold its 50 per cent interest in Saskfor to MacMillan Bloedel Ltd. Saskfor is a lumber and structural panel operation located in Hudson Bay, Saskatchewan. The transaction generated a gain on sale of $30.2 million and provided net sale proceeds of $91.8 million.

Saskferco Products Inc. (Saskferco)

The Government holds a 49 per cent (1998 - 49 per cent) voting interest in Saskferco, a nitrogen fertilizer plant located in Belle Plaine, Saskatchewan. These shares are accounted for using the modified equity method.

Cameco Corporation (Cameco)

At December 31, 1999, the Government owned 5,423,123 (1998 - 5,423,123) voting common shares of Cameco representing a 9.5 per cent (1998 - 9.4 per cent) interest. Included in the investment in Cameco is one Class B share which provides the Government with the ability to exercise special voting rights with respect to the location of Cameco's head office. These shares are accounted for using the cost method.

HARO Financial Corporation (HARO)

To December 31 1999, the Government had advanced $272.7 million (1998 - $272.5 million) to HARO to finance its ownership interest in Crown Life Insurance Company (Crown Life). In 1995, the Government exercised its right to convert $68.0 million of these advances into 68,000,000 non-voting, fully participating equity shares of HARO.

The loan was for an initial five-year term with a maximum of four five-year renewal terms at the option of HARO. In 1998, the Government agreed to renew this loan for a second five-year term. Annual interest rates on the loan are fixed at the start of each renewal term. For the second five-year term, the interest rate on the loan is 6.64 per cent compounded annually.

Security for the loan is 100 per cent of HARO's assets, which as of December 31, 1999 consisted primarily of Crown Life shares. In 1999, the Canada Life Assurance Company acquired most of the insurance operations of Crown Life. Although Crown Life's operations have significantly changed as a result of this transaction, it retained approximately $1.5 billion in assets and certain insurance operations which will continue to be managed by Crown Life.

Payment of principal and interest is subject to available cash flow as defined in the loan agreement. Due to collection uncertainty, the Government will record interest income when payments are received. HARO made no interest or principal payments to the Government during 1999. Total interest owing to the Government is $136.0 million (1998 - $114.8 million).

All unpaid principal and interest is due on December 15, 2017. On that date, any amounts outstanding will convert to a maximum of 94 per cent of HARO equity shares. The Government has a unilateral right, prior to December 15, 2017, to convert no less than 25 per cent of the loan to either HARO non-voting, HARO voting or Crown Life shares. The number of Crown Life shares acquired by the Government may not exceed 94 per cent of the Crown Life shares owned by HARO. Any conversion may be subject to regulatory approval.

Ownership of the 68,000,000 of HARO's Class B non-voting common shares entitles the Government to a maximum of 94 per cent of participation rights with respect to dividends and remaining property of HARO on its liquidation or dissolution. Subject to regulatory approval, the Government has a unilateral right to exchange at any time the Class B shares for voting shares or 94 per cent of HARO's assets.

Market Values

The market value of the Government's only publicly traded investment held at March 31, 2000 was as follows (millions of dollars):

Cameco	$ 80.8

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 4 (continued) - Other Investments

Investment in Government Business Partnerships

The Government has invested in government business partnerships to promote economic growth and provide an economic return. At March 31, 2000, the Government's investment in government business partnerships includes Meadow Lake Pulp Limited Partnership and NewGrade Energy Inc. In addition, at March 31, 1999, the investment also included Saskfor MacMillan Limited Partnership. Meadow Lake Limited Partnership operates a pulp mill near Meadow Lake, and NewGrade Energy Inc. operates a heavy oil upgrading plant in Regina. The Government holds a 50 per cent share in each of these investments which are accounted for using the modified equity method.

	(thousands of dollars)	
	2000	1999
Condensed Financial Information for Government Business Partnerships:		
Assets		
Capital assets	$ 318,139	$ 401,288
Other assets	257,038	258,158
Total Assets	575,177	659,446
Liabilities		
Debt		
Owing to government organizations	466,106	412,969
Other	343,780	419,256
Other liabilities	230,675	152,140
Total Liabilities	1,040,561	984,365
Net Liabilities	$ (465,384)	$ (324,919)
Operating Results		
Revenue	$ 830,653	$ 622,015
Expenses	844,485	689,866
Operating Results for the Year	(13,832)	(67,851)
Net Operating Deficiency - beginning of year	(523,517)	(455,666)
Effect of partnership dissolution	(38,912)	-
Net Operating Deficiency - end of year	(576,261)	(523,517)
Equity advances/share capital (net of partnership distributions)	110,877	198,598
Net Deficiency - End of Year	$ (465,384)	$ (324,919)
Investment in Government Business Partnerships:		
Government's share of accumulated Net Operating Deficiency	$ (288,131)	$ (261,759)
Government's investment [1]	64,806	101,246
Adjustments [2]	114,910	91,521
Total Investment in Government Business Partnerships [3]	$ (108,415)	$ (68,992)

[1] Government's investment includes the Government's initial investment net of partnership distributions as well as subsequent cash injections provided under various terms and conditions.

[2] Adjustments include:
- elimination of expenditures included in the Government's share of accumulated operating deficiency above and also consolidated as part of the operations of Government Service Organizations.
- recording additional operating expenditures incurred by the Government's subsidiaries through which the Government has made these investments.

[3] Total investment in government business partnerships include:

Meadow Lake Pulp Limited Partnership	$ (51,802)	$ (62,831)
NewGrade Energy Inc.	(56,613)	(67,201)
Saskfor MacMillan Limited Partnership	-	61,040
	$ (108,415)	$ (68,992)

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 5 - Accounts Payable and Accrued Liabilities

	(thousands of dollars)	
	2000	1999 (Restated)
Transfers	**$ 501,792**	$ 360,539
Accrued interest	**224,666**	259,323
Supplier payments	**183,144**	159,562
Transfers to the federal government	**154,980**	106,507
Accrued employee benefits	**146,948**	139,106
Public employee benefit plans claims payable	**58,265**	48,776
Capital lease obligations (note 11)	**51,626**	53,729
Other	**128,188**	204,650
Total Accounts Payable and Accrued Liabilities	**$ 1,449,609**	$ 1,332,192

Schedule 6 - Other Liabilities

	(thousands of dollars)	
	2000	1999
Funds held on behalf of government enterprises and others		
Saskatchewan Liquor and Gaming Authority	**$ 673,570**	$ 363,654
Queen's Bench Court Account	**10,002**	8,540
Public Employees' Pension Plan	**9,193**	4,997
Teachers' Superannuation Commission	**3,135**	3,011
Others	**20,693**	17,007
	716,593	397,209
Other	**4,942**	3,091
Total Other Liabilities	**$ 721,535**	$ 400,300

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 7 - Public Debt

(thousands of dollars)

	2000			1999 (Restated)
	Gross Public Debt	Less Sinking Funds [5]	Public Debt	Public Debt
Government Service Organizations				
General Revenue Fund [1]	$ 7,927,851	$ 402,480	$ 7,525,371	$ 7,652,492
Saskatchewan Housing Corporation	192,671	322	192,349	197,721
Saskatchewan Opportunities Corporation	126,706	863	125,843	103,280
District Health Boards [2]	126,551	-	126,551	36,619
Crown Investments Corporation of Saskatchewan (non-consolidated)	276,195	217,539	58,656	67,311
Saskatchewan Water Corporation	64,385	2,361	62,024	58,011
Agricultural Credit Corporation of Saskatchewan	235,551	157,657	77,894	94,179
Saskatchewan Land Services Corporation	6,930	-	6,930	-
Saskatchewan Development Fund Corporation	1,201	-	1,201	1,201
Debt of Government Service Organizations [3]	8,958,041	781,222	8,176,819	8,210,814
Government Enterprises				
Saskatchewan Power Corporation	1,680,270	137,844	1,542,426	1,636,328
SaskEnergy Incorporated	776,765	46,133	730,632	731,793
Saskatchewan Telecommunications Holding Corporation	468,910	60,086	408,824	414,226
Municipal Financing Corporation of Saskatchewan	90,991	-	90,991	84,167
Saskatchewan Gaming Corporation	24,059	-	24,059	27,710
	3,040,995	244,063	2,796,932	2,894,224
Adjustments to March 31	55,447	(28,708)	84,155	84,619
Debt of Government Enterprises [4]	3,096,442	215,355	2,881,087	2,978,843
Total Public Debt [6]	$ 12,054,483	$ 996,577	$ 11,057,906	$ 11,189,657

Debt repayable in foreign currency has been restated in Canadian dollar equivalents.

[1] General Revenue Fund debt is shown net of $2,843.8 million (1999 - $2,934.7 million) reimbursable from government enterprises, $499.8 million (1999 - $493.4 million) reimbursable from government service organizations, and $2.3 million (1999 - $1.8 million) borrowed from other government organizations.

[2] The 1999 comparative amount of debt for District Health Boards contains only the debt of the District Health Boards included in the summary reporting entity in prior years. See note 15 for information on the inclusion of the District Health Boards in the current year.

[3] This amount includes Canada Pension Plan debentures of $612.7 million (1999 - $656.6 million) at a weighted average interest rate of 11.48 per cent, ranging from 5.97 per cent to 17.51 per cent. Of this amount, $59.2 million is payable within one year. These debentures are redeemable in whole or in part before maturity, on six months prior notice, at the option of the Minister of Finance of Canada.

[4] The debt of government enterprises is as presented in their audited financial statements closest to March 31, 2000. The balance is adjusted for the net change to March 31, 2000. This amount includes Canada Pension Plan debentures of $728.1 million (1999 - $720.3 million) at a weighted average interest rate of 11.22 per cent, ranging from 9.04 per cent to 16.10 per cent. Of this amount, $27.9 million is payable within one year. These debentures are redeemable in whole or in part before maturity, on six months prior notice, at the option of the Minister of Finance of Canada.

[5] See Schedule 8 for information on sinking funds.

[6] See Schedule 9 for information on debt by maturity.

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 8 - Sinking Funds

(thousands of dollars)

	1999	2000				
	Sinking Funds	Contributions	Earnings	Less Redemptions	Currency Adjustment	Sinking Funds
Government Service Organizations						
General Revenue Fund	$ 339,754	$ 45,727	$ 22,955	$ -	$ (5,956)	$ 402,480
Crown Investments Corporation of Saskatchewan	233,884	-	8,080	24,425	-	217,539
Agricultural Credit Corporation of Saskatchewan	141,372	10,200	6,085	-	-	157,657
Saskatchewan Water Corporation	1,897	302	162	-	-	2,361
Saskatchewan Opportunities Corporation	215	600	48	-	-	863
Saskatchewan Housing Corporation	-	313	9	-	-	322
Sinking Funds of Government Service Organizations	717,122	57,142	37,339	24,425	(5,956)	781,222
Government Enterprises						
Saskatchewan Power Corporation	228,380	9,381	14,746	112,614	(2,049)	137,844
Saskatchewan Telecommunications Holding Corporation	78,891	2,693	5,997	26,480	(1,015)	60,086
SaskEnergy Incorporated	37,972	4,279	3,882	-	-	46,133
	345,243	16,353	24,625	139,094	(3,064)	244,063
Increase (decrease) to March 31	(36,360)	298	(4,452)	(10,675)	1,131	(28,708)
Sinking Funds of Government Enterprises	308,883	16,651	20,173	128,419	(1,933)	215,355
Total Sinking Funds	$ 1,026,005	$ 73,793	$ 57,512	$ 152,844	$ (7,889)	$ 996,577

The market value of sinking funds, at March 31, 2000, is $994.0 million (1999 - $1,087.5 million).

Sinking fund earnings include losses on investment sales of $5.6 million (1999 - gains of $9.0 million).

The total sinking fund assets have been disclosed net of $3.8 million in liabilities (1999 - $2.5 million).

Annual contributions, when established by Order in Council, are set at not less than one per cent of debentures outstanding. The redemption value is based on the market value of the sinking fund units at the date of redemption.

The aggregate amount of contributions estimated to be required in each of the next five fiscal years to meet sinking fund requirements are:

(thousands of dollars)

2000-01	$ 67,502
2001-02	65,305
2002-03	65,305
2003-04	65,305
2004-05	62,369
	$ 325,786

Sinking fund assets have been invested as follows:

(thousands of dollars)

	2000	1999
Long-term Investments		
Province of Saskatchewan securities; coupon interest range 5.5% to 13.0%; maturing in 0.8 to28.9 years	$ 623,341	$ 581,847
Government of Canada securities; coupon interest range 5.0% to 7.5%; maturing in 3.2 to 9.2 years	23,949	41,121
Other provincial governments' securities; coupon interest range 4.88% to 10.50%; maturing in 1.1 to 39.3 years	238,448	195,035
Corporate and municipal securities; interest rate 12.25%	-	6,956
Government of the United States securities; coupon interest rate 5.5%	-	3,005
Other	110,839	198,041
Total Sinking Fund Investments	$ 996,577	$ 1,026,005

Included are U.S. dollar long-term investments converted to $205.8 million Canadian (1999 - $194.8 million) at the exchange rate in effect at March 31, 2000, 1.4535 (1999 - 1.5092).

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 9 - Public Debt by Maturity

(thousands of dollars)

Year of Maturity	2000 Canadian Dollar Debt	2000 U.S. Dollar Debt (CDN $)	2000 Total (CDN $)	2000 Average Coupon Rate	1999 (Restated) Total (CDN$)	1999 (Restated) Average Coupon Rate
Government Service Organizations						
Short-term promissory notes	$ 345,300	$ -	$ 345,300	5.12%	$ 215,100	4.97%
1999-2000	-	-	-		1,255,896	8.43%
2000-01	1,252,122	-	1,252,122	10.28%	1,247,169	10.42%
2001-02	833,594	-	833,594	8.18%	880,909	8.42%
2002-03	397,617	-	397,617	9.29%	461,380	9.33%
2003-04	415,846	-	415,846	7.04%	545,468	6.52%
2004-05	1,525,847		1,525,847	7.55%	-	
1-5 years	4,770,326	-	4,770,326		4,605,922	
6-10 years	1,766,771	-	1,766,771	7.16%	1,640,232	7.99%
11-15 years	1,152,051	617,738	1,769,789	8.90%	1,473,693	8.57%
16-20 years	54,755	-	54,755	6.43%	589,409	10.23%
21-25 years	15,000	581,400	596,400	9.05%	618,680	9.05%
Thereafter	-	-	-		-	
	$ 7,758,903	$ 1,199,138	8,958,041		8,927,936	
Less: Sinking funds			(781,222)		(717,122)	
Debt of Government Service Organizations			8,176,819		8,210,814	
Government Enterprises						
Short term promissory notes	$ 14,700	$ -	$ 14,700	5.12%	4,900	4.97%
1999-2000	-	-	-		4,840	9.14%
2000-01	87,745	-	87,745	10.86%	54,965	10.82%
2001-02	36,285	-	36,285	15.21%	8,258	1.43%
2002-03	385,423	-	385,423	12.50%	428,954	12.47%
2003-04	97,355	72,675	170,030	9.45%	172,815	9.24%
2004-05	205,966	-	205,966	11.52%	-	
1-5 years	827,474	72,675	900,149		674,732	
6-10 years	644,085	281,979	926,064	8.73%	1,184,282	9.22%
11-15 years	-	109,013	109,013	7.38%	235,216	8.70%
16-20 years	-	-	-		-	
21-25 years	240,000	581,400	821,400	9.13%	853,680	5.82%
Thereafter	339,816	-	339,816	7.26%	339,816	7.27%
	$ 2,051,375	$ 1,045,067	3,096,442		3,287,726	
Less: Sinking funds			(215,355)		(308,883)	
Debt of Government Enterprises			2,881,087		2,978,843	
Total Public Debt			$ 11,057,906		$ 11,189,657	

See page 89 for additional information.

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 9 (continued) - Public Debt by Maturity

The overall average effective interest rate of public debt is 8.33 per cent (1999 - 8.58 per cent) and the average term to maturity is 8.3 years (1999 - 8.8 years). The average effective interest rate includes the impact of foreign exchange and the amortization of any premiums or discounts associated with the debentures.

U.S. dollar debentures have been converted to Canadian dollars at the year-end exchange rate of 1.4535 (1999 - 1.5092).

The debt of government service organizations includes Canada Pension Plan debentures of $612.7 million (1999 - $656.6 million) at a weighted average interest rate of 11.48 per cent, ranging from 5.97 per cent to 17.51 per cent. Of this amount, $59.2 million is payable within one year. The debt of government enterprises includes Canada Pension Plan debentures of $728.1 million (1999 - $720.3 million) at a weighted average interest rate of 11.22 per cent, ranging from 9.04 per cent to 16.10 per cent. Of this amount, $27.9 million is payable within one year. These debentures are redeemable in whole or in part before maturity, on six months prior notice, at the option of the Minister of Finance of Canada.

Debt includes debentures of $1,066.5 million (1999 - $1,474.0 million) redeemable annually at the option of the holder or anytime on the death of the holder. $154.4 million of this amount is payable within one year.

Included in total public debt are the following amounts:

- debentures totalling 22.5 billion yen (1999 - 22.5 billion) fully hedged to $259.2 million Canadian (1999 - $259.2 million).
- debentures totalling $750.0 million U.S. (1999 - 550.0 million) fully hedged to $1,037.0 million Canadian (1999 - $744.9 million).
- debentures totalling 200.0 million Deutschmarks (1999 - 200.0 million) fully hedged to $154.1 million Canadian (1999 - $154.1 million).
- debentures totalling 400.0 million Swiss francs (1999 - 400.0 million) fully hedged to $292.0 million Canadian (1999 - $292.0 million).

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 10 - Guaranteed Debt

(thousands of dollars)

	2000	1999
The Industry and Commerce Development Act		
Saskferco Products Inc.	$ 150,568	$ 191,567
The NewGrade Energy Inc. Act		
NewGrade Energy Inc.	118,723	150,085
Crown Investments Corporation of Saskatchewan (non-consolidated)		
NewGrade Energy Inc.	90,691	114,647
The Power Corporation Act		
Luscar Ltd.	26,957	28,919
National Trust Company	13,860	15,574
The Farm Financial Stability Act		
The Breeder associations loan guarantees	15,210	19,567
The Feeder associations loan guarantees	14,824	11,600
Other	20,408	17,355
Total Guaranteed Debt	$ 451,241	$ 549,314

Total guaranteed debt is net of a loss provision of $0.8 million (1999 - $0.3 million).

In addition to the amount shown, there is a contingent liability for interest accrued on these items.

See page 91 for additional information.

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 10 (continued) - Guaranteed Debt

Saskferco Products Inc.

The Government has guaranteed certain medium term notes issued by Saskferco to finance the construction of a nitrogen based fertilizer plant located near Belle Plain.

This guarantee pertains to debt denominated in U.S. dollars. Thus, the amount of the guarantee is influenced by changes in the value of the U.S. dollar relative to the Canadian dollar. The amount recorded is net of $114.0 million (1999 - $105.7 million) for Saskferco's equity in a sinking fund.

NewGrade Energy Inc. (NewGrade)

The Government has indemnified the Government of Canada for its guarantee of NewGrade's long term debt, to a maximum of $275 million. At March 31, 2000, the Government's guarantee is $90.7 million (1999 - $114.6 million).

The Government has also guaranteed certain long term debt of NewGrade to a maximum of $360 million. A significant portion of this guarantee relates to U.S. denominated debt. Thus, the amount of the guarantee is influenced by changes in the value of the U.S. dollar relative to the Canadian dollar. At March 31, 2000, the Government's guarantee is $118.7 million (1999 - $150.1 million).

Luscar Ltd. (formerly Manalta Coal Ltd.)

The Government has guaranteed a $45 million promissory note issued by Luscar Ltd. to finance the purchase of a dragline from Saskatchewan Power Corporation. The note is due in 2003. The amount recorded is net of $18.0 million (1999 - $16.1 million) for Luscar Ltd's equity in a sinking fund administered by the Minister of Finance.

National Trust Company

The Government is contingently liable for payments on certain leased mining equipment, which was assumed by the purchaser of a mining operation. The lease expires in 2004.

Breeder and Feeder Associations

The Government provides guarantees to lenders who make loans to production associations. The Government guarantees repayment of 25 per cent of the outstanding loan balance at the time of a first default on any advance, plus accrued interest as of the time that payment is to be made on the guarantee. Guarantees for each production association are limited to $4 million under the breeder cattle option and $4 million under the feeder cattle option.

Other

Other includes guarantees under $10 million.

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 11 - Revenue

	(thousands of dollars)	
	2000	1999 (Restated)
Taxation		
Corporation capital	$ 293,351	$ 232,618
Corporation income	277,226	200,079
Fuel	369,010	354,597
Individual income	1,446,169	1,448,043
Sales	660,314	742,846
Tobacco	123,866	122,681
Other	53,848	54,296
Total Taxes	3,223,784	3,155,160
Non-renewable Resources		
Natural gas	91,784	65,944
Oil	640,097	304,501
Potash	169,452	202,464
Other	41,817	49,307
Total Non-renewable Resources	943,150	622,216
Gain on Sale of Investments	26,367	-
Other Own-source Revenue		
Equity investments	7,954	(4,358)
Other interest and investments	94,527	107,318
Fees/permits/licenses	507,977	407,782
Insurance	85,528	94,338
Miscellaneous	186,628	178,445
Total Other Own-source Revenue	882,614	783,525
Total Own-source Revenue	5,075,915	4,560,901
Transfers from the Federal Government		
Canada Health and Social Transfer	556,282	427,748
Equalization	541,598	441,944
Crop insurance premium contributions	70,104	58,005
Housing subsidy	63,880	44,208
Other	321,711	115,536
Total Transfers from the Federal Government	1,553,575	1,087,441
Total Revenue	$ 6,629,490	$ 5,648,342

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 12 - Gains and Losses on Investments

	(thousands of dollars)	
	2000	1999
Gain (loss) on sale of investments		
Saskfor MacMillan Limited Partnership	$ 30,241	$ -
Western Canadian Beef Packers Inc.	(3,874)	-
Provision for investment losses	(2,500)	(31,170)
Earnings (losses) from equity investments		
Saskferco Products Inc.	(2,191)	10,064
NewGrade Energy Inc.	1,020	(7,797)
Saskfor MacMillan Limited Partnership	3,038	9,686
Meadow Lake Pulp Limited Partnership	10,605	(16,616)
Other	(4,518)	305
Net (Loss) Gain on Investments	$ 31,821	$ (35,528)

Schedule 13 - Net Change in Non-cash Operating Activities

	(thousands of dollars)	
	2000	1999
Decrease (increase) in prepaid expenditures	$ (473)	$ 7,907
Decrease (increase) in accounts receivable	(312,577)	152,141
Decrease (increase) in inventories held for resale	512	12,189
Decrease (increase) in deferred charges	7,925	5,030
Increase (decrease) in accounts payable and accrued liabilities	117,417	67,106
Increase (decrease) in unearned revenue	22,616	54,323
Net Change in Non-cash Operating Activities	$ (164,580)	$ 298,696

Government of Saskatchewan
Schedules to the Summary Financial Statements

Schedule 14 - Reporting Entity

Government Service Organizations (Consolidated)

Agricultural Credit Corporation of Saskatchewan
Agricultural Implements Board
Agri-Food Equity Fund
Agri-Food Innovation Fund
Apprenticeship and Trade Certification Commission[1]
Associated Entities Fund
Big Game Damage Compensation Fund
Board of Governors, Uranium City Hospital
Carlton Trail Regional College
Cattle Marketing Deductions Fund
CIC Industrial Interests Inc.
Commercial Revolving Fund
Conservation and Development Revolving Fund
Correctional Facilities Industries Revolving Fund
Correspondence School Revolving Fund
Crop Reinsurance Fund of Saskatchewan
Crown Investments Corporation of Saskatchewan (non-consolidated)
Cumberland Regional College
Cypress Hills Regional College
District Health Boards[3]
Extended Health Care Plan
Extended Health Care Plan for Certain Other Employees
Fish and Wildlife Development Fund
General Revenue Fund
Health Services Utilization and Research Commission
Highways Revolving Fund
Horned Cattle Fund
Law Reform Commission of Saskatchewan
Learning Resources Distribution Centre Revolving Fund
Livestock Services Revolving Fund
Milk Control Board
North West Regional College
Northern Revenue Sharing Trust Account
Northlands College
Oil and Gas Environmental Fund
Parkland Regional College
Prairie Agricultural Machinery Institute
Prairie West Regional College
Public Employees Benefits Agency Revolving Fund
Public Employees Dental Fund
Public Employees Disability Income Fund
Public Employees Group Life Insurance Fund
Queen's Printer Revolving Fund
Resource Protection and Development Revolving Fund
Saskatchewan Agricultural Stabilization Fund
Saskatchewan Archives Board
Saskatchewan Arts Board
Saskatchewan Cancer Foundation
Saskatchewan Centre of the Arts Fund
Saskatchewan Communications Network Corporation
Saskatchewan Crop Insurance Corporation
Saskatchewan Development Fund Corporation
Saskatchewan Grain Car Corporation
Saskatchewan Health Information Network
Saskatchewan Heritage Foundation
Saskatchewan Housing Corporation
Saskatchewan Indian Regional College
Saskatchewan Institute of Applied Science and Technology
Saskatchewan Land Information Services Corporation[1]
Saskatchewan Legal Aid Commission
Saskatchewan Lotteries Trust Fund For Sport, Culture and Recreation
Saskatchewan Opportunities Corporation
Saskatchewan Property Management Corporation
Saskatchewan Research Council
Saskatchewan Student Aid Fund
Saskatchewan Transportation Company
Saskatchewan Water Corporation
Saskatchewan Western Development Museum
Saskatchewan Wetland Conservation Corporation
Sask911 Account
Southeast Regional College
St. Louis Alcoholism Rehabilitation Centre
Transportation Partnerships Fund
Victims' Fund
Water Appeal Board

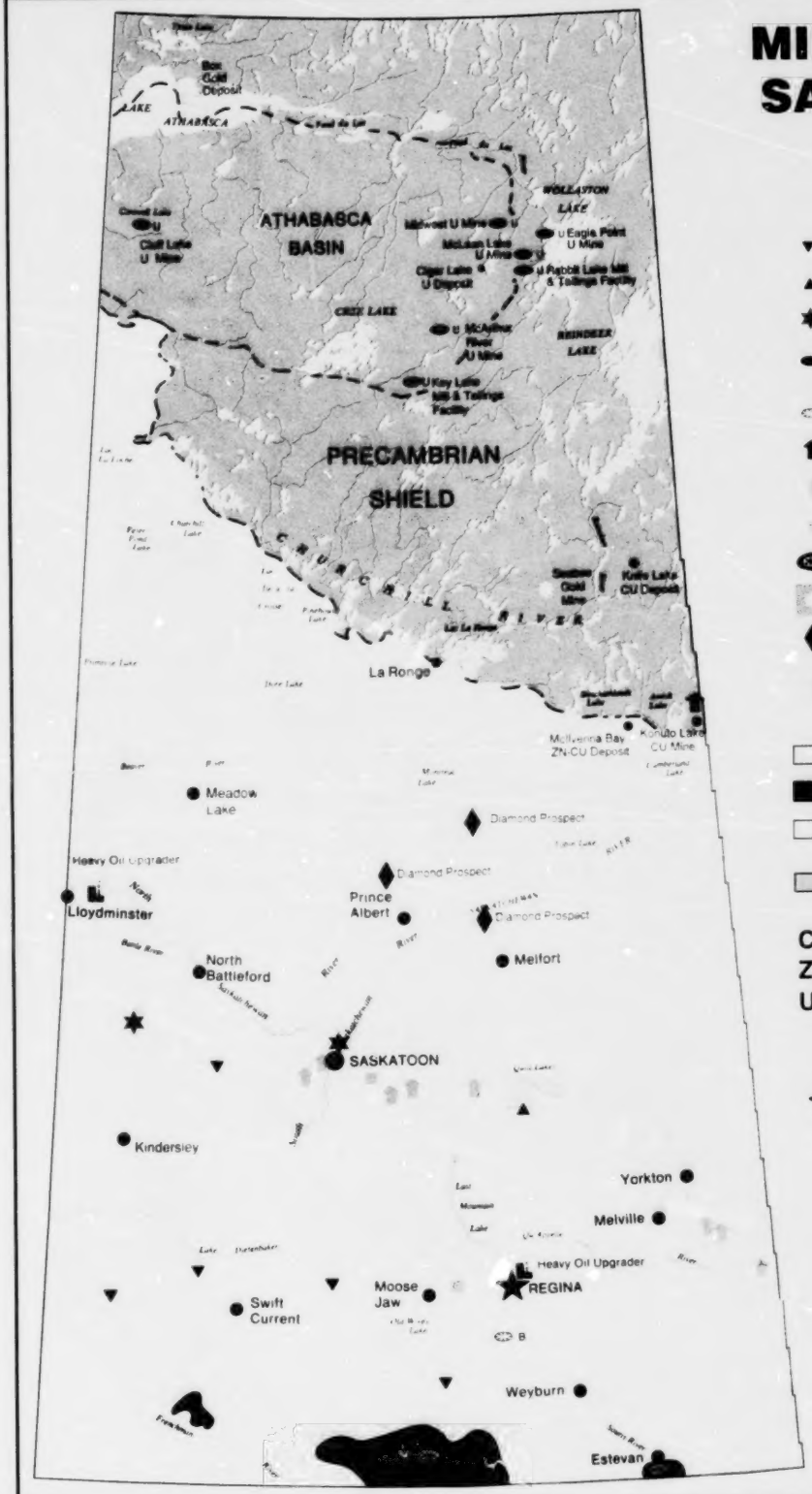
Government Enterprises (Modified Equity Method)

Municipal Financing Corporation of Saskatchewan
Saskatchewan Auto Fund
SaskEnergy Incorporated
Saskatchewan Forest Products Corporation[2]
Saskatchewan Gaming Corporation
Saskatchewan Government Growth Fund Management Corporation
Saskatchewan Government Insurance
Saskatchewan Liquor and Gaming Authority
Saskatchewan Power Corporation
Saskatchewan Telecommunications Holding Corporation
Workers' Compensation Board (Saskatchewan)

[1] Organization established during 1999-2000.
[2] Organization wound-up during 1999-2000.
[3] Effective 1999-2000 includes all District Health Boards (note 15)

SOURCES OF INFORMATION

Information included herein which is designated as being taken from a publication of the Province or Canada, or any agency or instrumentality of either, is included herein upon the authority of such publication as a public official document. The financial statements of the Government included herein under the headings "General Revenue Fund Supplementary Financial Information" and "Summary Financial Statements" have been taken from the Public Accounts of the Province (subject to certain adjustments for purposes of comparability). All financial information contained herein was obtained from the most recent annual Budget Estimates, Public Accounts, or Crown Investments Corporation of Saskatchewan Annual Report, or was prepared by representatives of the Department of Finance or of CIC in their official capacities. The information set forth under "Province of Saskatchewan", and other than described in the first sentence of this paragraph, was prepared by representatives of the Department of Finance in their official capacities.



MINERAL MAP OF SASKATCHEWAN

LEGEND

- Sodium Sulphate plant or deposit
- Potassium Sulphate plant
- Salt plant/mine
- U — Uranium mine (open pit and/or underground mine)
- B — Bentonite mine (open pit)
- Base metal mine (shaft)
- Potash mine (shaft)
- Potash mine (solution)
- Coal mine (open pit)*
- Precious Metal (Gold)
- Diamond Prospect

Regions of Mineral Development and Potential

- Potash
- Coal
- Oil and Gas
- Uranium, gold and base metals

CU - Copper
ZN-CU - Zinc/Copper
U - Uranium

*In the Estevan region there are 3 producing coal mines